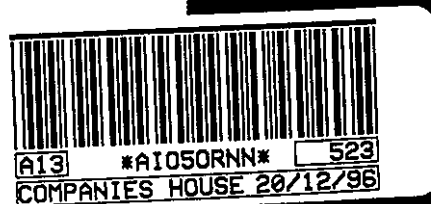




Annual Report and Accounts 1996



CIA MISSION *To help members secure sustainable profitability and improve recognition of their contribution to society, by working with them to influence relevant people and policies and by stimulating and helping them towards appropriate internal action, singly or cooperatively.*

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The balance is overwhelmingly positive

When I took up the reins of presidency at the Annual General Meeting last November I firmly believed that the general public did not appreciate the way chemicals play such an all pervasive and ever-growing part in the quality of life we enjoy today. That is why I chose "The part chemicals play in our quality of life and standard of living" as the campaign message for my presidency of the Chemical Industries Association.

Chemicals contribute to our quality of life in two distinct ways. First they improve value for money in existing products by lowering costs and giving better performance; secondly they play a significant part in innovation and making scientific progress possible in a wide range of fields. We have been heavily engaged in the Foresight initiative which has concentrated our attention on innovation and creativity. This has led to an unprecedented pooling of ideas, and knowledge of our future requirements, and it is clear that chemicals, chemistry and their related disciplines will be prominent in satisfying the consequent demands.

Like all other human endeavour the chemical industry is not perfect; it has benefits and costs, successes and failures. We in the chemical industry know the balance to be overwhelmingly positive but our efforts in taking Responsible Care in the manufacture and distribution of chemicals is critical to shifting this balance of favourability towards our industry. The Responsible Care programme is about performance and openness and the need to inform people of our progress in all aspects of health safety and environmental protection.

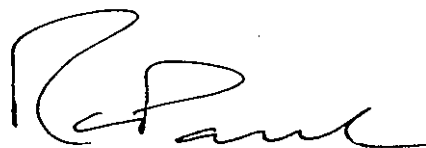
Each year the Association on behalf of its membership publishes indicators of performance in the critical areas of health safety and environment. The indicators are designed to demonstrate trends in such areas as the safety of our operations, our spend on environmental improvement and the number of links between sites and local communities. Since we began producing these indicators over six years ago there has been significant improvement in our performance. In particular, good progress has been made in our efforts to reduce discharge of waste to the aqueous environment and to improve our energy efficiency. Some momentum has been lost in the past year in the rate of reduction in lost time accidents across our industry as a whole. Our aim must be to bring this average performance up to the standard already being achieved by the best.

Life in the modern world is impossible without chemicals and if the past is a guide to the future society is going to use even more chemicals in the years to come. It is therefore important that intelligent and informed judgements are made on the use of chemicals; otherwise resources will be misdirected and we will fail to reap the benefits available. The trust that will enable this to happen has to be earned through performance.

Turning to the economic scene, after a strong start to 1995, UK chemicals output advanced only

sluggishly in the second half of the year. This was against a background of weakness in manufacturing output at home and general economic slowdown, compounded by a significant element of destocking, in Europe generally. While trading began slowly at the start of 1996, chemicals output grew more towards the end of the first half and, based on a pick-up in the business cycle in both the UK and the rest of Europe, further improvement is expected in the second half. Following several years of reduction, capital spending reached a turning point last year and, although companies continue to exercise caution, a larger increase in spending is expected for 1996.

John Cox retired from the Association as Director General in November 1995 after eight years. He had worked and campaigned tirelessly for the interests of our industry and we gratefully acknowledge his major contribution. I take this opportunity to welcome the arrival of Dr Elliot Finer, our new Director General, who is already bringing his talents to bear on the Association's activities; it also gives me great pleasure to thank member company representatives and all the staff of the Association who have contributed to another successful and busy year.



President
September 1996

Director General's report



When I joined the Association on 1 January I found four tremendous assets on which to build: the dedicated and high quality staff, a fund of information about the industry and its challenges, superb support from talented people in our member companies and the high reputation of the Association. I set myself and my staff the long-term aim of making the CIA, in the opinion of its members, the best industry association in the UK and the best chemical industry association in the world.

This is a period when members need influential and effective industry associations more than ever. Changes within companies include devolution of responsibility to operating sites, flatter structures and downsizing, and these factors often reduce companies' ability to maintain in-house expertise to analyse and represent their interests on complex issues. Meanwhile, external developments have led to more pressure - there is more EU legislation, a growing move to international legislation, greater public pressure on environmental issues and lower esteem for science, technology and industry. Against that background, my colleagues and I have the mission of helping members to secure sustainable profitability and improve recognition of their contribution to society.

In this report I give an overview of what we have done for our members over the past year with a section at the end on the management of the Association.



Elliot Finner

Director General

September 1996



Chemical varnishes make an indispensable contribution to the quality of violin music, Dr Robin Paul CBE told an audience at the 1996 British Association Festival of Science.



Top left:
Helen Sharman at
Catalyst.

Top right:
Former Energy and
Industry Minister,
Tim Eggar with Dr
Elliot Finer.

Bottom right:
Dr Michael Clark MP,
Chairman of the
APPG, Richard Page
MP, Junior Minister
and the President Dr
Robin Paul CBE.

The political level

Notable amongst the Association's programme of Parliamentary events was a well attended dinner in the House of Lords in February for the President and me to meet forty parliamentarians. This event resulted in a significant boost to the membership of the All-Party Parliamentary Group, which the CIA serves. In the same month we held two major regional Parliamentary lunches, which attracted a further 50 MPs, including front-benchers, to Kings Buildings in successive weeks.

The development of good contacts with MEPs has become increasingly important. We have now established a regular and well-regarded monthly newsletter which is faxed direct to all British MEPs for their plenary sessions in Strasbourg.

Meetings with key Cabinet and Shadow Cabinet members included Ian Lang, Gillian Shephard, Robin Cook, Margaret Beckett and George Robertson. We also met many junior ministers and shadow ministers, increasing our emphasis on the Opposition in view of the approaching election. I have no doubt that there is a good understanding of the industry's significance and needs on both Front Benches.

Contacts with Government and EU officials were maintained throughout the year. In particular, we cooperated closely with DIT's Chemicals and Biotechnology Division. The CIA was actively involved in the CEFIC team providing briefings to the Commission in advance of publication of a valuable Commission report on policies for the competitiveness of the European chemical industry.

International

We continued to make major contributions to the work of CEFIC, which is one of the most effective European trade federations. We also played an important role in the further development of the International Council of Chemical Associations (ICCA), which coordinates industry positions globally. ICCA is active on Responsible Care, and through ICCA, the Responsible Care programme more generally, and our international business promotion work, we have maintained excellent working relations with chemical associations across the world.



Trade controls continue to occupy member companies' attention and the Association responded by publishing an updated Code of Conduct and staging a special seminar in March.

The agenda of the new World Trade Organisation continued to evolve and the CIA continued to make a key contribution to CEFIC position papers in this area. CEFIC and the American CMA produced a joint statement urging other major chemical economies to adopt the Uruguay Round agreement on tariff harmonisation before any further tariff reductions are contemplated.

The UK industrial scene

Continued efforts have been made to work with other institutions to achieve well coordinated and collaborative representations. We provided direct support to CBI policy committees on Europe, environment, safety and health, biotechnology, energy, employment affairs, training and education and the National Manufacturing Council. We cooperated closely with the professional institutions on education, science policy and Technology Foresight. We are further developing our relationships with allied trade associations.

Trade unions

Our relationships with the trade unions were dominated by the ongoing review of the national bargaining arrangement. Headquarters Conferences increased significantly to 15 during the year, mainly because of the absence of a national settlement in

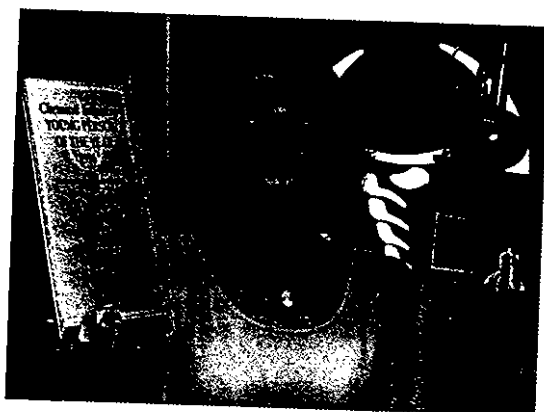
REPRESENTATIONAL WORK *We represent the industry on broad issues at the highest political levels; in detailed negotiations on specific regulations; and in programmes to improve recognition of the contribution the industry makes to society. Where appropriate we work with European and international opposite numbers, and with allied industry associations.*

The industry's reputation

The public reputation of the chemical industry remains poor. Our MORI survey conducted in Autumn 1995 showed that just one in five of the public have a favourable overall opinion of the industry. The predominant reasons for dissatisfaction remain the industry's perceived environmental performance and the public's general lack of trust in us.

There were however sources of encouragement in the survey, with a distinct increase recorded in people's exposure to information from the industry, coupled with an improvement in our credibility among our target audiences - particularly in education.

Young Person of the Year Award winner
Kate Mills of Pfizer.



The industry has many positive truths to project about itself, as well as misconceptions to correct. We have to continue to promote the industry and its benefits if we are going to change public perception.

Dr Robin Paul CBE, in his President's report (page 2), has referred to the message he wishes to communicate during his Presidency. We embarked on a strategy to advance this message with the aim of creating a national debate to highlight the critical and positive role that chemicals play in our quality of living.

Our overall strategy is based on careful research and an honest appraisal of what we can achieve. We have two messages, and three target audiences. The messages are that we make a valuable contribution to society, both in what we produce and in the wealth we create; and that we make and sell our products in a caring and responsible way. The targets are people who influence policy; the world of education; and companies' own workforces and local communities. By incorporating the messages into existing programmes and creating new platforms we aim to increase awareness significantly amongst our target audiences.

Young Person of the Year Award

This year's Young Person of the Year Award ceremony was said to be the best yet. Kate Mills of Pfizer won the 1996 title, presented by science and astronomy broadcaster and writer Heather Couper. Outgoing national winner, Brian Friel (Flexsys, then Croda) acquitted himself with distinction, especially at the Young People's Forum at the Employment Affairs Conference and at the All Party Parliamentary Group for the Chemical Industry.

Speak Out! and Listen

We achieved the highest number of Speak Out! and Listen talks (c700) and the highest level of participation and commitment by member companies. Over 3,000 talks have now been given since the programme started.

Media

We made continued progress in increasing media coverage and widening its base, particularly in the reporting of economic information and positions on policy issues. Steps have also been taken to increase reporting in the regional media - an activity expressly requested by the regions.

The highest profile issue was the possible impact on reproductive health of man-made chemicals (endocrine modulators or oestrogen mimics). Reports by the Institute for Environment and Health and the Medical Research Council's Reproductive Biology Unit, the BBC TV Horizon programme, the American book 'Our Stolen Future' and the baby milk scare put the spotlight on the issue. The Association dealt with many media queries, co-ordinated the activities of the relevant allied associations and provided industry input to UK government departments and research establishments. CEFIC formally established an Endocrine Modulators Steering Group to co-ordinate industry action across Europe, liaise with the industry in North America and establish programmes for communication and research.

Visiting Fellowship

Benefits from the CIA's sponsorship of Helen Sharman as Visiting Fellow at The Royal Institution of Great Britain include initiation of a contacts network, opening of Catalyst 'Chemicals for Life' gallery, presentation of Salters' Chemistry Club National Award, co-hosting the 'Chlorine breakfast' at the Dorchester and addressing the All-Party Parliamentary Group, resulting in a favourable mention in the Lords' Hansard. She also had extensive media exposure including frequent TV appearances, hosting the John Dunn show (BBC Radio 2) and a Catalyst photo in colour in *The Times*. She publicly endorsed our Modern Apprenticeship schemes.

Director General's report

Government strongly supported the proposal to establish a new Institute of Applied Catalysis. This was the first recommendation of the Chemicals Foresight Panel, and it was also put forward as a major priority in the CIA's own report on research priorities published last year.

Another strand of the Association's work was the continuing effort to ensure that public expenditure on research, through the Research Councils, supported the chemical industry's needs. The relationship between the CIA and the Research Councils (primarily the EPSRC and BBSRC) has never been stronger or more productive. This year we have seen significant increases in the budgets to support chemistry research in universities, and a greater degree of cohesion between industrial priorities and leading-edge academic research.

Patents

This year the Patents Panel led the industry's representation to oppose the establishment of a market share criterion in the new Technology Transfer Regulation. The Panel also took a leading role in Europe to ensure that the Commission proposal to establish blanket rules for second tier patent protection did not put the chemical industry at a disadvantage. Recent reports from Commission officials have suggested that this work has been successful, with chemical products and processes likely to receive exemption from the new proposals when they emerge.

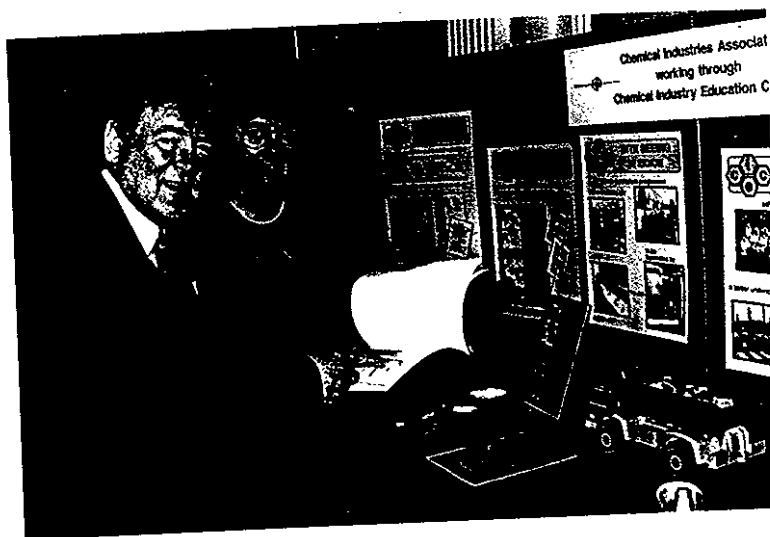
Another positive development this year was the confirmation that plant protection products can receive supplementary patent protection, currently only available to pharmaceutical products, to ensure that patent life-time is not compromised by lengthy regulatory delays before marketing approval. The new law will take effect early in 1997.

The Panel continues to work with CEFIC, EFPIA, UNICE and other industry bodies, to ensure that we achieve a workable and positive Directive for the Legal Protection of Biotechnological Inventions.

Business economics

Representations in the Business Economics area focused upon the supply and cost of utilities. Our sustained arguments against the fossil fuel levy eventually bore fruit with the announcement in June 1996 that it was due to be reduced from 10% to 3.7% in the Autumn. This should have a direct impact on the electricity bills of all our member companies. We continue to argue for complete abolition of the levy. Gas and water issues, as well as electricity, have all been covered in a series of meetings with their respective regulators, amplifying our responses to consultations affecting structural change and price competition. In particular, we fought hard to win recognition of industrial consumers' interests by OFGAS in the Network Code and in the review of the transportation prices of British Gas.

In our work through CEFIC on competition policy, we



argued for an extension of the 'one stop shop' approach to merger control at European level.

Employment legislation

Representation on social affairs and new employment legislation is a growing area of work and we have developed industry positions on several important legislative developments and employment policy issues. Examples include the Disability Discrimination Act, Balancing Work and Family Life, the EU Working Time Directive and Labour's proposals for a National Minimum Wage. The Employment Affairs Board visited Brussels and met both Commissioner Flynn and the Director General of DG V, Allan Larsson, together with many members of DG V.

We were invited to chair both the CBI's Sector Employment Issues Panel and its European Employers' Social Affairs Group.

Education and training

Major inputs were made to the debate on the school curriculum. Association representatives chaired working parties at the Chemical Education Group on qualifications for people aged 16-19 and on primary education. Sir Ron Dearing visited our Modern Apprenticeship scheme in Merseyside and had meetings with the Association during his curriculum review. We supported the CEFIC/SCI work on Science and the Young and the new European Science Museums Project.

Through a significant donation to the Charitable Trust, the Association assured the core funding for the Chemical Industry Education Centre, our joint venture with the University of York. The centre continues to excel in its support for the better teaching and understanding of science in primary and secondary schools.

The new CIA Education Policy Forum has been established, to ensure full coordination of all our extensive work in the education field.

Employment Affairs Board Chairman, Tom McIntyre with Miranda Mapletoft, manager of CIEC at the Employment Affairs Conference.

1995. We are now working to a defined process and timetable to bring the review to a conclusion.

The National Development Committee, through the formation of a sub-group, assumed responsibility for our joint work with the trade unions on equal opportunities. Our national joint consultative committees covering training, education, health and safety and economics continued to contribute to a healthy relationship with the unions.

Health, safety and the environment

The report of the 1995 chemical sector dialogue with Government on long term environmental developments was published, and the Association is actively involved in follow-up actions on voluntary agreements and the public perception of environmental risk. The dialogue was scheduled to be resumed in the Autumn of 1996.

The new environment agencies - the Environment Agency for England and Wales and the Scottish Environment Protection Agency - were established on 1 April 1996. The CIA, through its Environment Advisory Group and Scottish Committee, has established high level contacts with the new agencies at policy and regional levels. Seven CIA nominees have been appointed to Regional Environment Protection Advisory committees.

As a result of sustained representations to the pollution inspectorate, the Association was instrumental in securing a more practical, less onerous and less costly process for the assessment of Best Practicable Environmental Option (BPEO). A workshop for member companies to explain the agreed approach was held in mid-1996 and was so over-subscribed that a second workshop was required later in the year. Representations by the Association on the National Waste Classification Scheme and the landfill tax resulted in key wastes being included in the lower tax band of £2 per tonne rather than the standard tax band of £7 per tonne, thereby saving the industry up to £5 million per year.

We worked with the Department of the Environment to maintain the political agreement reached on the Integrated Pollution Prevention and Control proposal, and encouraged UK MEPs to vote against hostile amendments in the European Parliament.

The Association maintained its programme of work on occupational exposure limits, influencing the adoption of effective procedures for consultation on proposed new limits and providing guidance to members on responding to such consultations. We have also been actively engaged in responding to European proposals for a Chemical Agents Directive and a first amendment to the Carcinogens Directive. The Association has established a task force on Air Quality Standards to monitor the DoE's proposals on standards for the UK National Air Quality Strategy and similar legislation being developed by the EU.

The field of chemical control legislation has

continued to be a major area of activity. We worked with members of the All Party Parliamentary Group and others as the Chemical Weapons Bill passed through Parliament. The Association worked with the Preparatory Commission for the UN Chemical Weapons Convention to ensure that the scope of the Convention was acceptable to industry and that commercially sensitive information was safeguarded; we are now co-operating with the new National Authority in preparation for the necessary declarations and inspections. Working with DTI, we have been successful in getting recognition by the regulatory authorities that the notification requirements for new substances are severely hampering innovation, and are now seeking to secure a more pragmatic approach to applying the regulations.



Community relations manager, Linda MacLeod hosting the NE Area Development Committee visit to BP Chemicals, Hull.

On distribution issues, the Association secured government recognition that packaging-used for the carriage of dangerous goods has to be treated differently from retail packaging and may not be suitable for recycling; we will continue to monitor the development of UK regulations to implement the European Directive on Packaging and Packaging Waste, and make representations as necessary to safeguard the interests of members as packaging users. In response to criticism of the chemical industry relating to problems with the marine carriage of packaged dangerous goods, the CIA embarked on a co-operative effort with other trade associations to prepare guidance for those involved in the distribution chain.

We followed closely the progress of the European Directive on the Control of Major Accident Hazards, and made representations to the Health and Safety Executive and UK MEPs to ensure that the final text was acceptable to the industry.

Research and innovation

Foresight

Throughout the past year, our Science, Education and Technology Committee (SETCOM) placed a high priority on taking forward the Technology Foresight Programme

A particular highlight was the success which the chemical industry achieved in the Foresight Challenge. Among a number of proposals which offer potential benefits for chemical companies,

SERVICES AND ADVICE *We provide members with a range of tailored and specific services, and with expert advice on regulatory, employment, training, market and other issues.*

Export challenge

The CIA was one of the fifteen winners of the Government's 'export challenge' competition in February 1996. Our proposal involves setting up the CIA *Directory of Products and Buyers Guide* on the Internet. To be launched in January 1997, this will provide a real step forward in communication to potential customers around the world.

Business promotion visits

This has been one of the Association's busiest years of international business promotion, involving Switzerland, the USA, Japan, South Korea, India and Russia. The common theme for all these promotions, and the central strategic thrust of all our activity in this field, is to open doors to business opportunities in difficult markets. The success of this approach is illustrated by the fact that the UK team returning home from Japan was able to demonstrate some £6 million worth of new business attributable to that mission.

National Vocational Qualifications

The industry is now progressing rapidly in making use of National Vocational Qualifications. The number of centres and of candidates have both more than doubled during the year and publication sales have continued at a high level, nationally and internationally. The Industry Awarding Body has been established as a separate company, with charitable status.

CIA staff member James Holyfield co-authored a book on the use of standards and NVQs/SVQs which is selling well.

Modern Apprenticeships

The chemical scheme has been approved for use in Scotland; CIA gained financial aid to market the Scottish Modern Apprenticeship scheme and to carry out research into its wider applications to training adults generally. On 1 September there were 18 approved schemes with around 300 trainees, and a further six schemes due to be implemented in September 1996.

Future national arrangements

The government is consulting widely on its proposal to replace all existing industry training organisations and lead bodies by a smaller number of National Training Organisations (NTOs). The Association is seeking NTO status.

One consequence of this change will be access to Government funding for training on a continuous basis rather than via piecemeal awards for specific projects.

Specialised Organics Information Service (SORIS)

SORIS handled over 550 significant requests for assistance - an increase of 10% over the previous year. It provided a monthly newsletter and organised two seminars, the more successful of which explained the Internet in simple language and stimulated attendees to use it.

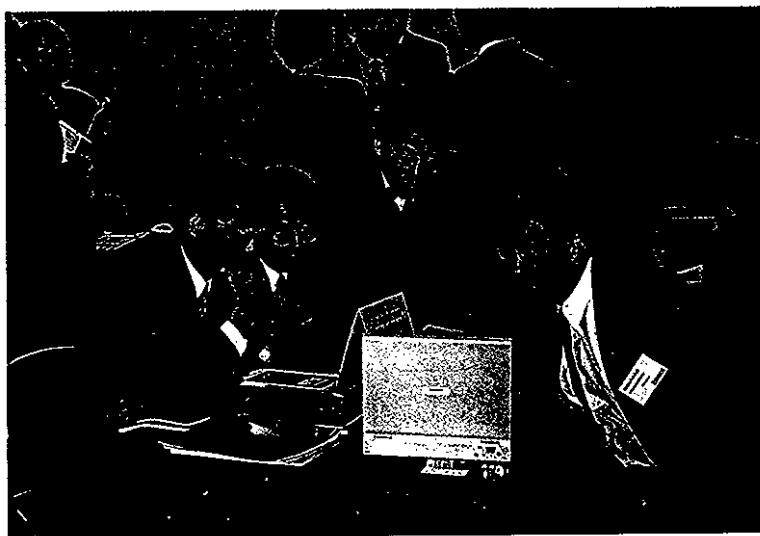
The mission to the USA in October 1995 showed the need of biotech companies for a range of support services along the product development chain.

Support for members' open days

We provided moral, material and organisational support for members' own open day initiatives along with specific help and advice to members.

Parliamentary and EU information/issues database

There was a steady flow of requests by member companies for parliamentary and European information from the Association during the year which as ever we were readily able to meet. A number of companies also subscribed to the Association's issues database.



Multi-media promotion at Japanese chemical company.

Employee relations

Topics covered have included advice and information on pay and conditions, new employment legislation; research reports from the Employee Relations Committee; support for company negotiations (briefings and advice); networks on European Works Councils; international personnel practice; and equal opportunities. We also carried out surveys on pay and conditions (as well as the annual survey, there was an ad hoc survey on shift working arrangements), and continued to support the Local Employment Affairs Network.

Direct Training Service

Direct Training Service has performed well in a very tight market and has provided training not only for members but also internally for CIA staff and, externally, for DTI staff.

RESPONSIBLE CARE *Member companies continued their active involvement in the Responsible Care programme. Our Indicators of Performance show that while we continue to improve our H, S and E performance and how effectively we inform people about that, there remain big differences between the best and the worst.*

Workshops on Product Stewardship and on 'Responsible Energy' were well supported. The Association organised a workshop for Responsible Care Cells (which continue to work actively) at which safety experts from members provided guidance on best practice in the form of a 'safety toolkit'

CIA launched its revised CHEMSAFE Scheme in March. This sets out clear performance standards and provides improved guidance at the three levels of emergency response to chemical distribution incidents: provision of information by companies on their products; advice at the incident scene; and the provision of practical assistance. More significantly, it enhances the effective partnership already established with the emergency services and

recognises the importance of involving contract hauliers and chemical waste disposal companies.

Following publication of CIA's influential guidance document on *Responsible Care Management Systems for Health, Safety and Environment*, we were pleased to see that the BSI's new guideline standard for occupational health and safety management conforms to our urging that it should be capable of integration with the international standard for environmental management systems. The guidance has also generated a Responsible Care self-assessment process which is being piloted across a range of member companies.

CIA's new award for Responsible Care, developed in liaison with *The Chemical Engineer*, was won by ICI Polyurethanes and attracted positive publicity around the presentation in Birmingham in April.

The annual *Indicators of Performance* survey, published in June, confirmed a continuing improvement in the industry's health, safety and environmental performance. A record 97% of member company manufacturing sites participated. Of particular note is the fact that the discharge of Red List substances - those of particular concern if they enter water courses or sewers - is now down to about 1/10th of its level in 1990. Safety performance has, however, plateaued and we are considering how to deliver further improvement.

The partnership with the industry's distributors, through the BCDTA, continues to generate a benefit by covering a greater part of the product supply chain than we could reach otherwise.

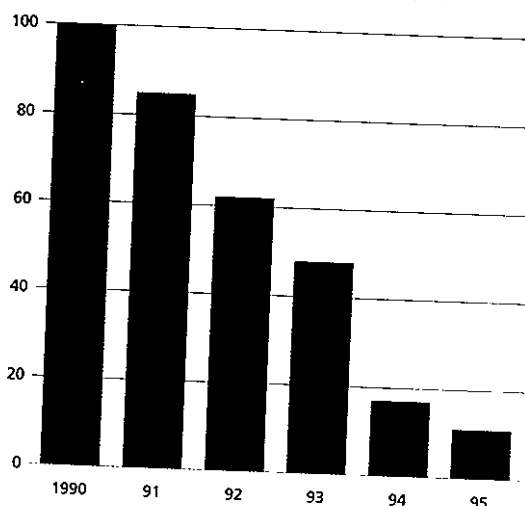
Right:
The team from ICI Polyurethanes, Shepton Mallet - winners of the first Responsible Care Award.



Below:
(L-R) Prof John Holloway, Leicester University, John Speirs CBE, Chairman of PAC, science writer Nina Hall and Dr John Emsley *The Independent* columnist at SET 96 Foresight day at the DTI.



Trend in Red List discharges (based on matched samples)



WORKING TOGETHER *All our work depends crucially on inputs from members. Members benefit not only from the results but also from the process, which provides valuable networking opportunities.*

Regional Committees and Scotland

The North West Regional Committee's annual lecture maintained its high standard, with Lord Melchett as the guest speaker, at the UMIST Conference Centre in October. A 'Regulator's Review' seminar held at BASF in Cheadle in April was a sell out.

The South West Regional Committee continued to strengthen and held a valuable meeting at the Techniquet Science Centre in Cardiff in January. The same month the Committee held a productive meeting in South Wales with Wayne David, a local MEP and leader of the Labour Party in the Parliament.

The London and South East Regional Committee's annual parliamentary lunch in February had the highest response recorded with 33 MPs attending.

In Scotland topics covered included rates, water and the proposed constitutional changes, and the Scottish Committee held a well-attended parliamentary lunch (involving a Minister and most of the Shadow front-bench team) in London where these and other issues were discussed. The North East Region has run several well supported practical seminars.

Annual dinner

We had the highest attendance ever for this main Association platform for contact with opinion formers. We also had an excellent speech from our principal guest, Sir Leon Brittan.



President Dr Robin Paul CBE, John Cowan, Chairman of the Scottish Committee and (centre) Dr Tom Johnston, President of The Royal Society of Edinburgh at the RSE.



Above: Industry, the City and the technical press converged on the annual dinner. This group included Peter Stefanini, Pat Layman and Jeremy Chantry and (left) Principal guest Sir Leon Brittan, with Hugo Lever, Director General of CEFIC (centre).



BACKGROUND INFORMATION *We offer information on economic, legislative and political developments, to provide a context for better business decisions.*

Employment Affairs Conference

'Future Dimensions' was the theme for the Employment Affairs Conference in Harrogate, attended by some 250 people. It was acclaimed as the most successful and thought-provoking ever, the main thread being that the motivation, development, encouragement and empowerment of employees was essential to the future of the industry.

One of the novel features was a special forum for young people working in the industry. It attracted some 30 delegates, all under the age of 27, from a wide variety of occupations and companies.

Business Outlook Conference

Held in January, the 11th Business Outlook Conference highlighted 'change and reconstruction in the world chemical industry'. Attended by over 150 delegates, including record numbers from continental Europe, the centrepiece was a presentation by Richard Freeman OBE, ICI's chief corporate economist.

Top right:

ICI's Richard Freeman OBE at the Business Outlook Conference.

Bottom right:

Delegates at the young people's forum at the EA Conference.

Investment Intentions Conference

The Investment Intentions Conference held in May announced the industry's latest UK capital spending

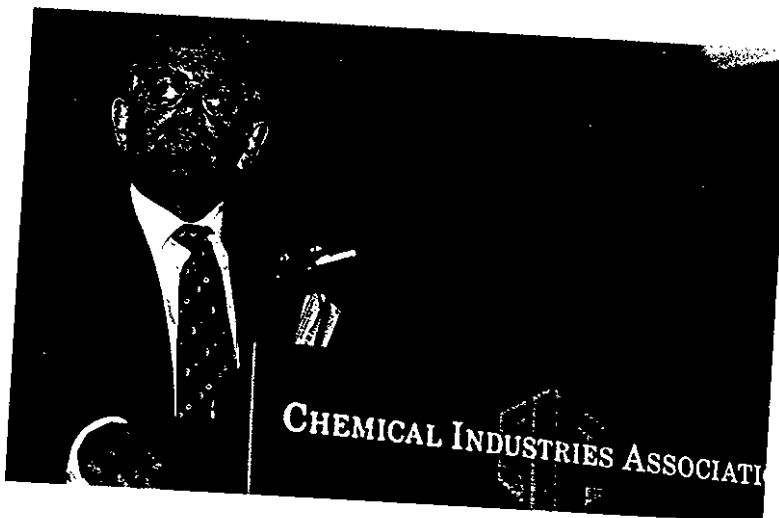
plans on new plant and equipment. The results of the survey showed a rise in capital spending of 2.8 per cent in 1995 - the first real upward change since 1991 - and a forecast rise of 14 per cent in 1996 with a further 2.3 per cent in 1997.

Technology Foresight seminars

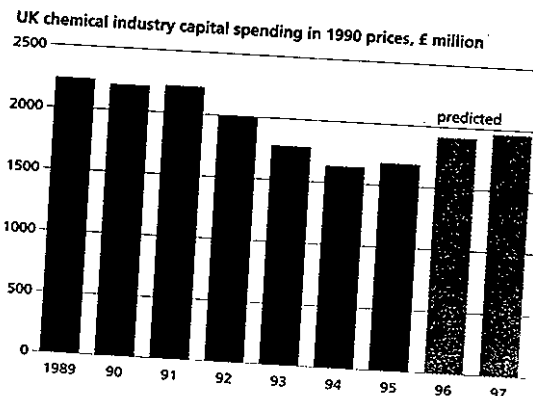
In partnership with the Chemicals Foresight Panel, the RSC and the IChemE, we sought to disseminate the main messages of Foresight to our membership and the academic sector, through regional workshops. These were designed to establish networks and spur collective action to improve performance over a range of key technology areas. Successful events were held in the North East, North West, Northern Ireland and Scotland, and more are still being planned for the South West and Eastern Regions. Already there have been positive results: for example, a vibrant, new inorganics network which arose from the North West event.

Business Brief and Newsline

The introduction of the new, monthly *Business Brief* in Autumn 1995, which separated the business and issues information from the general news in the old *Newsline*, was well received.



Above:
Investment analyst,
David Ingles of James
Capel and Geraldine
Alliston, Director,
Chemicals, Chemicals
and Biotechnology
Division of the DTI,
at the Business
Outlook Conference.



MANAGEMENT OF THE ASSOCIATION *The CIA not only works on behalf of a huge and successful industry, but is also an SME whose clients are its members.*

Organisation and administration

Since joining the Association I have been introducing a number of changes to the way we operate. On page 1 is our mission for our service to members. We have developed from this a set of objectives which are expanded into detailed operational plans for each Director's group, and those plans are reflected in the forward job plan for each member of staff. Our performance depends totally on the quality, expertise and commitment of our staff. I intend to move the Association towards Investors in People status over the next couple of years.

I have reorganised some reporting lines. All our work on H, S and E, including Responsible Care, has been brought together under David Culpin. Our media relations, community relations and communications and EU/UK Government and institutional relations are grouped under a new Director of Public Affairs, Jennifer Jones and our activities in education, training, innovation and intellectual property, have been brought together with employment and social affairs, under Jim Foulds.

On pages 22 and 23 is an organisation chart showing who does what.

Account managers

We now have a system of Account Managers, each responsible for liaison with six to eight member companies. Association staff are beginning to get to know their companies. This programme will help us develop in-depth knowledge about members' businesses, problems and issues, thereby giving substance and colour to the Association's agenda; it will also ensure members have a clear knowledge of our services and that we meet members' requirements within those services.

Dr Elliot Finer
at Zeneca's
Environmental lab
in Brixham, Devon.



IT systems

We are upgrading our computer systems to enhance our internal efficiencies and to help us communicate better with our members.

Benchmarking

We have started a benchmarking exercise with several other large industry associations. We come out well when compared against the 'model trade association' report published by DTI early in 1996.

New members

I am very pleased to welcome Allied Colloids, Boots Contract Manufacturing, Huntsman Carrington, Lundbeck Pharmaceuticals Limited, Montell Carrington, SIKA and SNPE as new members of the Association.

Financial

Refund to members

I am pleased that the Association will be able to make, to all continuing member companies, a cash refund equal to 2.6% of their 1995/96 subscriptions. The refund will be made after the annual accounts have been approved by Council.

Review of subscription formula

Earlier this year James Puckridge, Honorary Treasurer, chaired a review of the subscription base. Council concluded on the basis of this review that it was best to stay with the present formula.

New pension arrangements

From 1 July 1995 the final salary (defined benefit) staff pension scheme was closed to new members. New employees are offered a personal pension (defined contribution scheme).

I hope members are pleased with what the Association achieved for them in 1995-96. We will do all in our power in 1996-97 to fulfil our mission of helping members to secure sustainable profitability and improve recognition of their contribution to society.

Dr Elliot G Finer

Specialist Organic Chemicals Sector Association (SOCSA)

SOCSA participated strongly in the CIA's work and made representations to a wide range of civil servants, ministers, MPs and other trade bodies. SOCSA contributed to the CEFIC paper 'Focus on SMEs in the Chemical Industry', the subject of a workshop with the EC in September 1996.

SOCSA addressed officials from the Bank of England and city analysts on the sector's excellent growth performance and the investment needs of its SME members for sustainable profitability. The Association also urged EPSRC to use SOCSA as a route to chemical industry SMEs. This resulted in the allocation to SOCSA of two CASE studentship awards.

Following the successful benchmarking initiative, 1995/96 has been SOCSA's year for promoting R&D and Innovation stimulated by Technology Foresight and the CIA's Research Priorities exercise. An Innovation Group has been set up and priorities agreed are: applied catalysis, biotechnology and process technology. The main achievements have been participation in the creation of the new Institute of Applied Catalysis (£2 million Government support) and a new applied catalysis LINK scheme (£6 million Government support); SORIS participation on a USA biotechnology mission; and £90,000 DTI support for SORIS to set up a biotechnology information service (BORIS).

SOCSA members were in the majority on overseas trade missions to the Far East, USA and Switzerland. The importance of the UK pharmaceutical industry supply chain to members was illustrated by the large turnout at a SOCSA organised event hosted by Glaxo-Wellcome in November. Thirteen pharma and 40 specialised organics companies discussed markets and intermediates purchasing strategies.

A range of business improvement services was provided for SOCSA members on benchmarking, funding assistance, business promotion and R&D/Innovation. A successful annual forum was held in May with innovation, manufacturing best practice and strategic marketing as the main topics.

Sector groups

The Ammonia Products Group is continuing its work on preparing the guidance for the large scale storage of fully refrigerated anhydrous ammonia in the UK.

The Dyestuffs and the Dyemakers' Users Group have been progressing a wide range of H, S and E subjects, the major ones being the consequence of the German ban on azo-dyes in consumer goods; compliance monitoring of regulations across Europe and textile related issues such as colour in effluent.

The Chlorine Sector Group continued to develop its



communications programme and, in conjunction with Euro Chlor and the British Plastics Federation, made determined efforts to counter the attack on chlorine and PVC by environmental groups.

Chlement, the chlorine campaign frog, with Sharon Rendle, 1992 Judo Olympic medallist at the SCM Chemicals open day.

The Food Additives Industry Association (FAiA) was involved in the implementation of the EC Directives on colours, sweeteners and miscellaneous additives into UK law. As part of their communications programme they have commissioned CIEC to undertake a schools project on food additives, and FAiA will meet major food retailers and appear on radio and TV to get their message across.

The Speciality Biocides Group has concentrated on representations to the European Commission on the proposed biocidal products directive. Restrictions and limitations of the application of the comparative assessment procedure have been negotiated which are viewed by industry as an unnecessary procedure.

As part of the CIA Council's visit to Brussels, the Agricultural Raw Material Users Group was able to present their specific UK perspectives on the operation of the sugar and starch regimes under CAP direct to the European Commission. The UK/EU biochemical industry still cannot buy its agricultural food starches at world prices.

Companies in Membership

as at 30 June 1996

All member companies have given signatory commitment to the Responsible Care Guiding Principles

* Conforms to hourly and weekly wage rates and conditions negotiated by CIA

- * Abbey Chemicals Limited
- Abbot Laboratories Limited
- * AgrEvo UK Ltd
- Air Products PLC
- Anchor Chemical Group PLC
- Akcros Chemicals
- * Akzo Nobel Chemicals Limited
- Albion Dyestuffs Ltd
- * Albright & Wilson plc
- * Alcan Chemicals Europe
- Water Treatment
- Allied Colloids Ltd
- Anchor Chemical Group PLC
- See *Air Products*
- AP Chemicals Ltd
- See *BTP plc, Process Chemicals Division*
- APP Chemicals Limited
- See *Burmah Castrol Chemicals Ltd*
- ARCO Chemical Europe, Inc.
- Ashland Chemical Limited
- The Associated Ocel Company Limited
- Palmer Research Laboratories

- Baker Performance Chemical Manufacturing
- BASF plc
- Baxenden Chemicals Ltd
- * Bayer plc
- BetzDearborn Limited
- * BIP Group Limited
- * William Blythe Limited
- BOC Gases Europe
- Bonar Polymers Ltd
- * Boots Contract Manufacturing
- Borax Europe Limited
- * Borden Chemical (UK) Limited
- * BP Chemicals Limited
- Brent International PLC
- * Bristol-Myers Squibb Pharmaceuticals Limited
- Britannia Alloys and Chemicals Ltd
- Britannia Zinc Ltd
- British Nuclear Fuels plc
- * British Salt Limited
- Bromine & Chemicals Limited
- + James M Brown Ltd
- BTP plc, Process Chemicals Division
- AP Chemicals Ltd
- Hodgson Chemicals Ltd
- Hodgson Specialities Ltd
- Burmah Castrol Chemicals Ltd
- APP Chemicals Limited
- Dusseck Campbell Limited
- * Foseco (FS.) Ltd
- Fosroc Expandite Ltd
- Industrial Adhesives Limited
- Kerax Limited
- Protim Solignum Limited
- Sericol Limited
- * Bush Boake Allen Ltd
- Union Camp Chemicals Ltd

- Cabot Carbon Limited
- Chemoxo International plc
- Chemson Ltd
- Chemviron Speciality Chemicals Limited
- ChiRex Ltd
- Chiroscience Limited
- Ciba-Geigy PLC
- Ciba Grimsby
- Clariant UK Ltd
- Mercury Plastics
- Cleanaway Limited
- Coalite Chemicals
- * Coalite Smokeless Fuels
- Contract Chemicals (Knowsley) Limited
- Contract Chemicals (Leeds) Limited
- Courtaulds Chemicals (Holdings) Limited
- * Cray Valley Limited
- Croda International Plc
- Croda Hydrocarbons Ltd
- Croda Surfactants Ltd
- * Croda Universal Limited
- Crosfield Limited
- Custom Powders Limited
- * CYTEC Industries UK Limited

- Degussa Limited
- Dista Products Limited
- Dow Chemical Company Limited
- Dow Corning Limited
- DSM United Kingdom Limited
- Du Pont (U.K.) Limited
- Dusseck Campbell Limited
- See *Burmah Castrol Chemicals Limited*
- Dynochem UK Ltd

- Eastman Chemical Ectona Limited
- Eastman Fine Chemicals
- Electro Furnace Products Ltd
- Elf Atochem UK Ltd
- EniChem Elastomers Ltd
- EniChem UK Ltd
- Ethyl Petroleum Additives Limited
- * European Colour (Pigments) Limited
- Exchem Industries Ltd
- Exxon Chemical Limited
- Fine Organics Limited
- See *Laporte plc*
- Fisher Scientific UK Ltd
- Flexsys Rubber Chemicals Ltd
- FMC Corporation (UK) Limited
- * Foseco (FS.) Ltd
- See *Burmah Castrol Chemicals Ltd*
- Fosroc Expandite Ltd
- See *Burmah Castrol Chemicals Ltd*

- * R & J Garroway Ltd
- See *Laporte plc*
- GE Plastics ABS Ltd
- Genzyme Limited
- Genzyme Biochemicals
- Glaxo Wellcome Operations
- W.R. Grace Limited
- * Great Lakes Chemical (Europe) Limited
- Great Lakes Fine Chemicals Limited
- * Grillo Zinc Oxide (UK) Ltd
- Hampshire Chemical Limited
- * Harcross Chemicals UK Limited
- Hays Chemical Distribution Ltd
- Hepworth Minerals and Chemicals Ltd
- Hercules Limited
- * Hickson International PLC
- Hickson Manro Limited
- Hodgson Chemicals Ltd and
- Hodgson Specialities Ltd
- See *BTP plc Process Chemicals Division*
- Hoechst UK Limited
- Arthur H Cox & Co Limited
- HPG Industrial Coatings Limited
- * RV Chemicals Limited
- Spray Shop Supplies Limited
- Holliday Dyes & Chemicals Ltd
- * Holliday Pigments Ltd
- HPG Industrial Coatings Limited
- See *Hoechst UK Ltd*
- Hüls (U.K.) Ltd
- Huntsman Carrington
- Huntsman Corporation UK Ltd
- Hydro Chemicals Limited
- Hydro Polymers Limited
- Ilford Limited
- Imperial Chemical Industries PLC
- ICI Chemicals & Polymers Limited
- Tioxide Group Limited
- Industrial Adhesives Limited
- See *Burmah Castrol Chemicals Ltd*
- Inspec Group plc
- International Flavours & Fragrances, I.F.F. (Great Britain) Ltd
- ISP (Great Britain) Co. Limited
- Johnson Matthey PLC
- Kemira Ince Limited
- Kerax Limited
- See *Burmah Castrol Chemicals Ltd*
- * Knoll Pharmaceuticals
- Kodak Limited
- Kronospan Limited

Officers and Council

- President**
Dr RC Paul CBE
*Chief Executive,
Albright & Wilson plc
(from November 1995)*
- JS Fraser**
*Chairman & Chief Executive,
Ciba-Geigy PLC
(to November 1995)*
- Vice Presidents**
BK Sanderson
*Chief Executive Officer,
BP Chemicals Limited*
- Dr GJ Blaker
*Group Technical Director,
Glaxo Wellcome Operations*
- Honorary Treasurer**
JMC Puckridge
*Chairman & Managing Director,
Elf Atochem UK Ltd*
- Immediate Past President**
JS Fraser
*formerly, Ciba-Geigy PLC
(from November 1995)*
- Dr KW Humphreys CBE
*formerly, Rhône-Poulenc Limited
(to November 1995)*
- Members**
LT Aberg
Managing Director, Bayer plc
CH Andrews
*Chairman & Managing Director,
Rhône-Poulenc Limited*
TA Barnett
*Chief Executive, Ciba-Geigy PLC
(from November 1995)*
CF Bedford
*Associate Director,
Peboc Division of
Eastman Chemical UK*
AM Boden
*Works General Manager,
BP Chemicals Limited*
ME Brogden
Executive Director, ICI PLC
- C Cherry
*Chemical Operations Director,
Rhône-Poulenc Rorer Limited
(from November 1995)*
WA Colquhoun
*General Manager,
Shell Chemicals U.K. Limited*
JB Cowan
*Manufacturing Manager,
Ciba Pigments*
Dr D J Giachardi
Director, Courtaulds plc
DA Hammersley
*Vice-President Europe-Africa,
Flexsys Rubber Chemicals Ltd*
JG Holloway
*Chairman & Managing Director,
Exxon Chemical Limited
(to December 1995)*
DJ Hyner
*Works Manager,
Zeneca Agrochemicals
(to November 1995)*
SM Kennedy
*Chairman & Managing
Director,
Exxon Chemical Limited
(from January 1996)*
DJ Kerrison
*Chief Executive,
Hickson International PLC
(to November 1995)*
MW Lynham
*Plant Manager, Monsanto p.l.c.
(from November 1995)*
Dr T McClymont
*Divisional Director,
Roche Products Limited*
AV McGrath
*Works Manager,
Albright & Wilson plc
(to July 1995)*
TS McIntyre
*Head of Personnel &
Management Services,
Roche Products Limited*
Dr T Medinger
*Planning Manager,
Zeneca Group PLC*
Dr RC Paul CBE
*Chief Executive,
Albright & Wilson plc
(to November 1995)*
- AIH Pink
*Executive Director,
Zeneca Group PLC
(from November 1995)*
RS Pitcher
*Site Manager,
Dow Corning Limited
(to July 1995)*
ATG Rodgers
*Executive Director,
Zeneca Group plc
(to November 1995)*
Dr P R Read
*Chief Executive,
Hoechst UK Limited
(from November 1995)*
JF Royle
*Managing Director,
Hampshire Chemical Limited*
JG Speirs CBE
*Managing Director,
Norsk Hydro (UK) Ltd*
Mr C Spreafico
*Chairman & Managing Director,
EniChem Elastomers Ltd
(from November 1995)*
Dr FP Stefanini
*Sector Managing Director,
Performance Chemicals,
Croda International PLC
(to December 1995)*
BJ Stickings
Managing Director, BASF plc
TM Swan
*Managing Director,
Thomas Swan & Co Ltd*
ET Thurgur
*Managing Director,
Synthite Limited*
WO Walker
*Managing Director,
Du Pont (U.K.) Ltd*
TC Wellington
*Operations Manager,
Hays Chemical Distribution Ltd
(from July 1995)*
Dr DJ Wilbraham
*Chief Operating Officer,
Laporte plc (to March 1996)
Chief Executive,
Hickson International PLC
(from May 1996)*

Business and Trade Board

as at 30 June 1996

Chairman
CH Andrews
*Chairman & Managing Director,
Rhône-Poulenc Limited*

Members
DR Anderson
*Head of Corporate
Communications and Chief
Economist, Courtaulds plc*
Dr TW Bastock
*Group Sales & Marketing
Director,
Contract Chemicals Ltd*
CF Bedford
*Deputy Managing Director,
Pebec Division of
Eastman Chemical (U.K.) Ltd*
A Bull
*Executive Vice-President,
Air Products Europe*
KM Duckels
*Manager Finance &
Administration,
Clariant UK Ltd*
Dr EG Finer
*Director General,
Chemical Industries Association
Limited*
RD Freeman OBE
Chief Economist, ICI PLC
B Haith
*Managing Director,
Holliday Dyes & Chemicals Ltd*
Dr MR Hunt
*Managing Director,
Akzo Nobel Chemicals Limited*

JA Jones
*Area Director and Vice-President,
Manufacturing Division,
SmithKline Beecham
Pharmaceuticals*

BG Kerr
*Group Financial Director,
Ciba-Geigy PLC*

JFC Nicholls
*Manager, Public Affairs,
Exxon Chemical Limited*

Dr CB Page
*Director of Chemical Production,
Knoll Pharmaceuticals*

R Parrott
*Divisional Chairman,
Laporte plc*

RH Sabberton
*Marketing & Customer Services
Manager,
Shell Chemicals U.K. Limited*

D Samuelson
*Product Group Leader,
Hoechst UK Ltd*

DE Wakeford MBE
*International Trade Manager,
Public Affairs Department,
ICI PLC*

A Weale
*Group Government Relations
Manager, ICI PLC*

SJR Woolley
*General Manager - Planning,
BP Chemicals Limited*

C van der Zijden
*Purchasing Director,
Monsanto UK*

- Lambson Fine Chemicals Limited
Lambson Speciality Chemicals Limited
* Lancashire Chemical Works Ltd
Lanstar Limited
* Laporte plc
Fine Organics Limited
R & J Garroway Limited
Laporte ESD Limited
(trading as Reddish Savilles)
London & Scandinavian Metallurgical Co Limited
Lubrizol Ltd
Lundbeck Pharmaceuticals Limited
- 3M United Kingdom PLC
Macfarlan Smith Limited
* Magnesium Elektron
* MEL Chemicals
Mallinckrodt Chemical Ltd
* AH Marks and Company Limited
* MEL Chemicals
See Magnesium Elektron
Merck Ltd
Merck Sharp & Dohme Ltd
Mercury Plastics
See Clariant UK Ltd
Meristem plc
MG Gas Products Ltd
Mitchell Cotts Chemicals Limited
Molecular Products Ltd
Monsanto p.l.c.
Montell Carrington
* Morton International Limited
- Nalco/Exxon Energy Chemicals Limited
Nalco Limited
Neste Chemicals U.K. Limited
* Nipa Laboratories Limited
* Norit (UK) Limited
* Nufarm UK Ltd
* The Nutrasweet Kelco Company
- Organic Specialities Limited
Palmer Research Laboratories
See The Associated Octel Company Ltd
Peboc Division of Eastman Chemical (U.K.) Ltd
Pentagon Chemicals Limited
* Perstorp Ferguson Limited
* Perstorp Waverite Limited
Petrolite Limited
Pfizer Limited
Protim Solignum Limited
See Burmah Castrol Chemicals Ltd
- Quest International
Fragrances, Flavours, Food (Ingredients) UK Limited
- Rechem International Limited
* Rhône-Poulenc Limited
* Rhône-Poulenc Agriculture Limited
* Rhône-Poulenc Chemicals Limited
* Rhône-Poulenc Rorer Limited
* Robinson Brothers Limited
* James Robinson Limited
Roche Products Limited
* Rohm and Haas (UK) Limited
* Rohm and Haas (Scotland) Limited
* Ronseal Ltd
* RV Chemicals Limited
See Hoechst UK Ltd
- SABIC Global Limited
* Schenectady Europe Limited
SCM Chemicals-Europe
Seal Sands Chemicals Limited
Sericol Limited
See Burmah Castrol Chemicals Ltd
* Sevalco Limited
Shell Chemicals U.K. Limited
Sigma Chemical Company
SIKA Ltd
Singleton Birch Limited
SmithKline Beecham p.l.c.
SmithKline Beecham Pharmaceuticals
SNPE Limited
Solvay Chemicals Limited
Solvay Interlox Ltd
Spray Shop Supplies Ltd
See Hoechst UK Ltd
* Sutcliffe Speakman Carbons Limited
Thomas Swan & Co. Ltd.
Synpac Pharmaceuticals Limited
Synprotec Ltd
Synthetic Chemicals Limited
* Synthite Limited
- Thor Chemicals (UK) Limited
Thornton & Ross Ltd
Tioxide Group Limited
See Imperial Chemical Industries PLC
- * UCB Films PLC
UCB Sidac Limited
UCB Sidex Limited
Unichema Chemicals Limited
Unilever
Union Camp Chemicals Ltd
See Bush Boake Allen Ltd
Union Carbide Limited
UOP Limited
- * Vencel Resil Limited
Vinamul Limited
* Viskase Limited
- Warwick International Group Limited
Witton Chemical Co Ltd
- Zeneca Group PLC
Zeon Chemicals Europe Limited

Chemical Industry Safety, Health and Environment Council (CISHEC)

as at 30 June 1996

Chairman
BJ Stickings
Managing Director, BASF plc

Members
Dr JR Adsetts
*Technical Director,
Albright & Wilson plc*
CF Bedford
*Deputy Managing Director,
Peboc Division of Eastman
Chemical (U.K.) Ltd*
C Butterfield
*Group Environmental Safety &
Quality Affairs Director, Hickson
International PLC*
Dr IF Carney
*Continental European Safety
Health & Environment Adviser,
ICI PLC*
AR Clare
Consultant, Bob Clare Associates
DJ Coulston
*Director, Health, Safety &
Environmental Protection,
British Nuclear Fuels plc*
RJ Doherty
*Director, Health, Safety &
Environmental Security,
Ciba-Geigy PLC*
J Draper
*Health, Safety & Environmental
Manager,
Shell Chemicals U.K. Limited*

JD Ebert
*Environmental Manager,
BP Chemicals Limited*
Dr EG Finer
*Director General,
Chemical Industries Association
Limited*
L Fortune
*Environmental Affairs
Coordinator, Courtaulds plc*
RL Harrison
*Group Engineering Director,
Engineering Services Division,
Glaxo Wellcome Operations*
D Hayward
*General Manager,
Chemicals Business,
Thomas Swan & Co Ltd*
RJ Hulse
*Group EH&S Manager,
BASF plc*
AL Jones
*Health Safety and Environment
Manager, Europe,
ARCO Chemical Europe Inc*
MB LaGraff
*General Manager, Occupational
Health Safety and Environment,
BP Chemicals Limited*
Dr MKB Molyneux
*Head Occupational Hygiene
Unit, Shell Chemicals U.K.
Limited*

D Rosen
*Senior Engineer,
Exxon Chemical Limited*
Dr GM Schofield
*Health & Safety Commissioner,
Unilever Research*
Dr IC Simpson
*Safety & Environmental
Protection Manager,
Roche Products Limited*
BW Trenbith
*Technical Director,
Contract Chemicals Limited*
J Vale
*Quality & Logistics Manager,
Exxon Chemical Limited*
Dr J Whiston
*Group Safety, Health &
Environment Manager,
ICI PLC*
CA Wiltshire
*Director, Environmental Safety,
Health & Regulatory Affairs,
Monsanto Europe SA*

General Purposes and Finance Committee

as at 30 June 1996

**Honorary Treasurer &
Chairman**
JMC Puckridge
*Chairman & Managing Director,
Elf Atochem UK Ltd*

Members
Dr GJ Blaker
*Group Technical Director,
Glaxo Wellcome Operations*
Dr EG Finer
*Director General,
Chemical Industries Association
Limited*

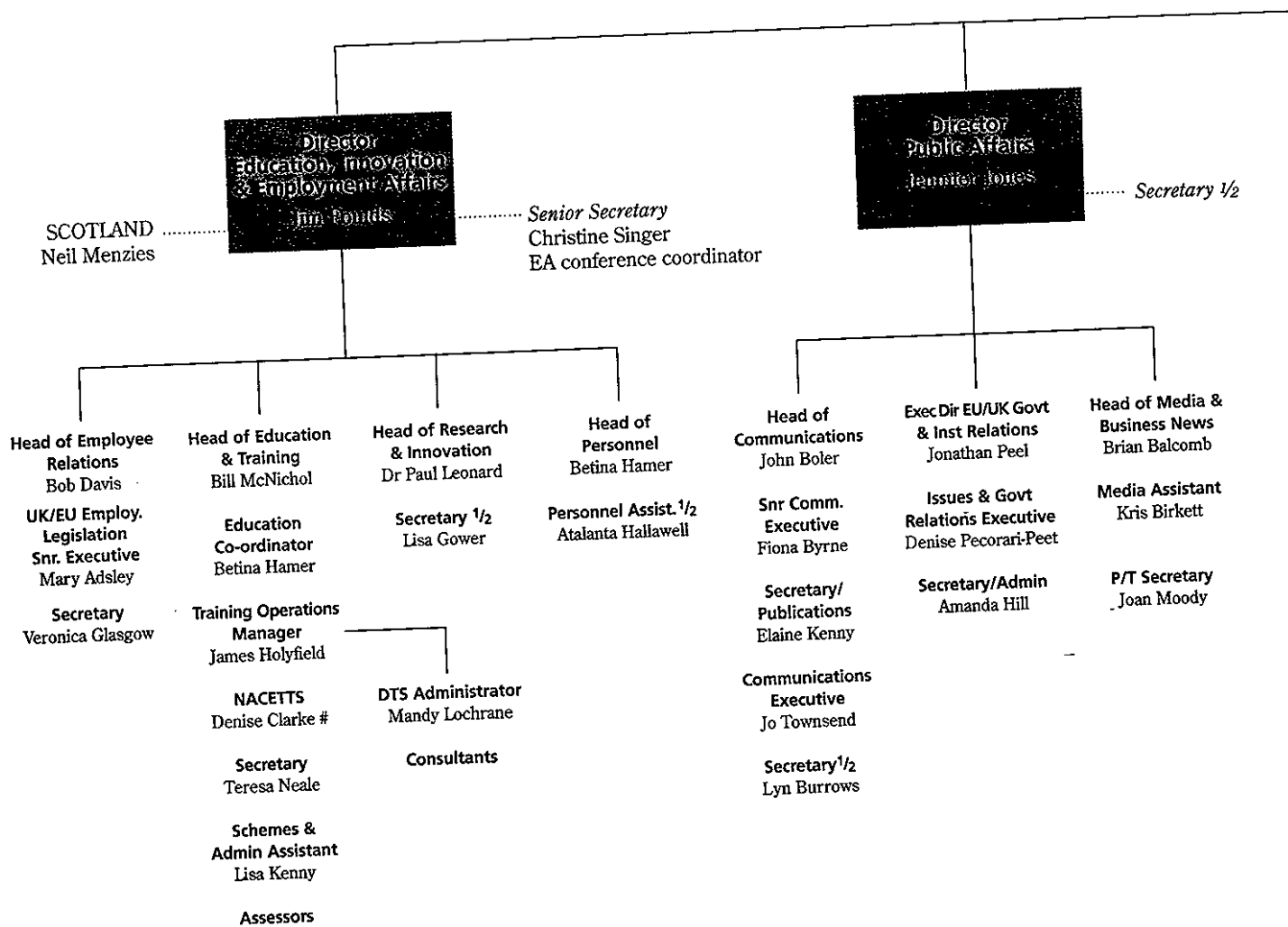
Dr T Medinger
*Planning Manager,
Zeneca Group PLC*
Dr RC Paul CBE
*Chief Executive,
Albright & Wilson plc*
BJ Stickings
*Managing Director,
BASF plc*
ET Thurgur
*Managing Director,
Synthite Limited*
Dr DJ Wilbraham
*Chief Executive,
Hickson International PLC*

Employment Affairs Board

as at 30 June 1996

Chairman	MR Hall
TS McIntyre	<i>Human Resources Manager,</i>
<i>Head of Personnel and</i>	<i>Exxon Chemical Limited</i>
<i>Management Services,</i>	MJ Higgins
<i>Roche Products Limited</i>	<i>Human Resources Director,</i>
	<i>Bayer plc</i>
Vice Chairman	RA Howard
J Crawford	<i>Personnel and Administration</i>
<i>Corporate Human Resources</i>	<i>Manager,</i>
<i>Manager,</i>	<i>Shell Chemicals U.K. Limited</i>
<i>Albright & Wilson plc</i>	M James
	<i>Head of UK Employment Affairs,</i>
Members	<i>ICI PLC</i>
BM Ashall	D Lowe
<i>Managing Director,</i>	<i>Manager of Personnel &</i>
<i>Coalite Smokeless Fuels</i>	<i>Employee Services,</i>
JCM Boyd	<i>The Associated Octel Company</i>
<i>Director of Personnel & Legal</i>	<i>Limited</i>
<i>Services, BASF plc</i>	HC Marsh
JA Brewer	<i>European Personnel Manager,</i>
<i>Human Resources Director,</i>	<i>Bush Boake Allen Ltd</i>
<i>Ciba-Geigy PLC</i>	ASJ Morgan
PA Brown	<i>Personnel Director,</i>
<i>Employee Relations and</i>	<i>Rhône-Poulenc Chemicals Limited</i>
<i>Remunerations Manager,</i>	FH Phillips
<i>Zeneca Group PLC</i>	<i>Managing Director,</i>
Dr EG Finer	<i>Harcros Chemicals UK Limited,</i>
<i>Director General,</i>	<i>Durham Chemicals Division</i>
<i>Chemical Industries Association</i>	AJ Sherrard
<i>Limited</i>	<i>Company Business Planning</i>
LG Fisher	<i>Manager, Glaxo Wellcome</i>
<i>Non-Executive Chairman,</i>	<i>Operations</i>
<i>Robinson Brothers Limited</i>	NA Sumpter
NH Fordham	<i>Personnel Director, UK &</i>
<i>Personnel Manager,</i>	<i>Scandinavia, Monsanto p.l.c.</i>
<i>Clariant UK Ltd</i>	

Organisation chart



Externally funded for specific period
(M) Based in Macclesfield

25 September 1996

Public Affairs Committee

as at 30 June 1996

Chairman	Dr EG Finer	Mrs S McLintock
JG Speirs CBE	<i>Director General,</i>	<i>Head of Corporate</i>
<i>Managing Director,</i>	<i>Chemical Industries Association</i>	<i>Communications,</i>
<i>Norsk Hydro (UK) Limited</i>	<i>Limited</i>	<i>Hoechst UK Limited</i>
Members	AD Jordan	B Moffett
N Abbott	<i>Public Affairs Manager,</i>	<i>Public Affairs Manager,</i>
<i>Group Manager, Public Relations,</i>	<i>Du Pont (U.K.) Limited</i>	<i>Shell Chemicals U.K. Limited</i>
<i>The BOC Group plc</i>	PF Jukes	M Scharf
HM Adeney	<i>Corporate Affairs Director,</i>	<i>Manager, Marketing</i>
<i>Group Public Relations Manager,</i>	<i>Elf Atochem UK Ltd</i>	<i>Communications,</i>
<i>ICI PLC</i>	RJ Larbey	<i>Monsanto Europe SA</i>
JE Bishop	<i>Manager, External Affairs,</i>	Ms J Stratton
<i>General Manager,</i>	<i>The Associated Ocel Company</i>	<i>Public Affairs Manager,</i>
<i>Communications,</i>	<i>Limited</i>	<i>Albright & Wilson plc</i>
<i>BP Chemicals Limited</i>	RJ Lyon	RD Ward
A Craven	<i>Public Affairs Manager,</i>	<i>Public Affairs Manager,</i>
<i>Corporate Affairs Manager,</i>	<i>Dow Chemical Company Limited</i>	<i>Laporte plc</i>
<i>Bayer plc</i>	P Malpass	N Watkins
M Dawson	<i>Head of Communications &</i>	<i>Public Affairs Manager,</i>
<i>Director of Industry & External</i>	<i>Public Relations,</i>	<i>Exxon Chemical Limited</i>
<i>Affairs,</i>	<i>Rhône-Poulenc Limited</i>	A Weale
<i>ARCO Chemical Europe Inc</i>	B Mansfield	<i>Group Government</i>
C Duncan	<i>Director of Public Affairs,</i>	<i>Relations Manager,</i>
<i>Director Public Relations,</i>	<i>BASF plc</i>	<i>ICI PLC</i>
<i>British Nuclear Fuels plc</i>	N Menzies	
	<i>CIA Scottish Committee</i>	

Science, Education and Technology Committee (SETCOM)

as at 30 June 1996

Chairman	Dr M Caton	Dr LJ Kirsch
Dr DJ Giachardi	<i>Director, Scientific Relations,</i>	<i>Technology Director, Shell</i>
<i>Director, Courtaulds plc</i>	<i>Rhône-Poulenc Limited</i>	<i>Additives International Ltd</i>
Members	S Cook	Dr A Kumar
Dr GJK Acres	<i>Research & Development</i>	<i>Education Development</i>
<i>Director, Technology Planning,</i>	<i>Director,</i>	<i>Manager,</i>
<i>Johnson Matthey PLC</i>	<i>Hickson & Welch Ltd</i>	<i>Glaxo Wellcome plc</i>
Prof CJ Adams	Dr EG Finer	Dr C Squire
<i>Unilever Research</i>	<i>Director General,</i>	<i>University Links Manager,</i>
Dr J Beacham	<i>Chemical Industries Association</i>	<i>Technology Development,</i>
<i>Research & Technology Manager,</i>	<i>Limited</i>	<i>British Nuclear Fuels plc</i>
<i>ICI Chemicals & Polymers Ltd</i>	Dr RD Holton	Dr A Smith
Dr JH Brophy	<i>Site Manager,</i>	<i>Consultant, BIP Group Ltd</i>
<i>General Manager Corporate</i>	<i>Exxon Chemical Technology</i>	Prof PA Tasker
<i>Research,</i>	<i>Centre</i>	<i>Academic Relations Officers,</i>
<i>BP Chemicals Limited</i>	Dr E Irving	<i>Zeneca Specialities</i>
GJ Buckley	<i>Director, Central Research,</i>	
<i>Head of Intellectual Property,</i>	<i>Ciba-Geigy PLC</i>	
<i>Laporte plc</i>		

Senior management

as at 30 June 1996

Dr EG Finer
Director General

TD Culpin
*Director – Business and SHE
Affairs*

JS Foulds
*Director – Education, Innovation
& Employment Affairs*

JF Jones
*Director – Public Affairs
(from 16 September 1996)*

CR Brooks
General Secretary

Affiliated associations

as at 30 June 1996

The Association of the British Pharmaceutical Industry
British Aerosol Manufacturers' Association
The British Agrochemicals Association Limited
British Association for Chemical Specialities
The British Chemical Distributors & Traders' Association Limited
European Oilfield Speciality Chemicals Association
The Fertiliser Manufacturers Association Ltd
The National Sulphuric Acid Association Ltd
Picon Ltd
The Soap & Detergent Industry Association
Solvents Industry Association Ltd

Honorary members

as at 30 June 1996

RA Banks CBE
CG Bridge CBE
JD Horner
RB Horton
KW Humphreys CBE
JS Hunter CBE
Sir Robin Ibbs KBE
RR Knowland CBE
JK Pitts
AAS Rae CBE
RM Ringwald CBE
Dr D Smith
JH Townsend CBE
NJ Travis
JV Webb
R Whiteley
GF Williams
AS Woodhams OBE

Director General Dr Elliot Finer

PA to Director General
Jean Hettiaratchi

Director Business and HR Affairs David Culpin

Senior Secretary 1/2
Norma Wright

Senior Secretary
Deborah Hall
Membership database

Membership, Legal, Finance & Office Services Christine Bruns

SOCSA, SORIS & SMEs
Executive Director
Tony Scott

Head of
International Trade
Sean Mackle

Manager,
Responsible Care
Dr Stuart Aaron

Senior Economist
Keith Wey

Exec Dir Safety
Health & Env Policy
Doug Rodger

Serv & Facilities Mgr
Lin Broom

Accounts Snrs
Sue Berryman
Len Maull

Secretary/
Administrator
Ann Geddes

Sec/Administrator
Sarah Gibbs

Senior Executive
Dr Andrew Robinson

Econ/Statistician
Nick Sturgeon

Snr Secretary 1/2
Norma Wright

Serv & Facilities
Assistants
Gary McGuire
Julio Diaz

Accounts Clerk
Nila Rajabali

SORIS Manager (M)
Chris Drew

Sec/Admin
Anabel Haslam

Economist/
Energy Executive
Nitesh Patel

Snr Executive
Environment
Dr Fiona Russell

Receptionist/
Telephonist
Jo Lucking

P/T Secretary (M)
Linda McCabe

Executive,
Management
Systems
Jon Faragher
Sec/Administrator 1/2

Secretary
Lyn Jones

Secretary 1/2
Lisa Gower

Snr Executive
Occ Health
Dr Phillip Lewis

Exec Distribution
& Safety
Nick Berentzen

Secretary 1/2
Lyn Burrows

Executive, Sector
Groups & Products
Liz Surkovic

Sec/Administrator 1/2

Report of the Council

Association structure

The constitution and structure of the Association have remained unaltered during the year and are as described in the Articles of Association. The constitution allows for a maximum of 35 council members and, at 30 June 1996, there were 32 members as indicated by the figures in parentheses in the table below:

- (8) Eight places to be automatically filled by the member companies who paid the eight highest subscriptions in the previous year.
- (9) Nine elected places for companies not included in the group above but who paid subscriptions above the minimum level.
- (3) Three elected places for minimum subscription members.
 - (1) The Immediate Past President.
 - (1) The Chairmen of the Employment Affairs Board and the Business and Trade Board.
 - (5) The five Regional Chairmen.
 - (1) Up to three nominees of major allied trade associations.
 - (4) Up to four co-opted invitees at the discretion of Council.

Responsible Care

The Responsible Care programme is about performance and openness. It is the chemical industry's commitment to continuous improvements in all aspects of health, safety and environmental protection and to inform people of its performance in these areas. Responsible Care is a voluntary programme of action, fundamental to the industry's present and future performance and the key to regaining public confidence and maintaining acceptability. Adherence to the principles and objectives of Responsible Care is a condition of membership of the Association; every member company has signed, at Chief Executive level, a commitment to the Responsible Care Health, Safety and Environmental Guiding Principles.

Sector/product groups

The total of sector groups at 30 June 1996 was twelve.

Membership

On 30 June 1996 there were 178 subscription paying companies (listed on pages 16 and 17), compared with 176 in the previous year.

During the year the following companies joined the Association:

Allied Colloids Ltd
Boots Contract Manufacturing
Huntsman Carrington
Lundbeck Pharmaceuticals Limited
Montell Carrington
SIKA Ltd
SNPE Limited

Of the companies in membership on 30 June 1996, five resigned with effect from 1 July 1996.

Financial review of the year

On the basis of the preliminary estimates of expenditure and trading income for the financial year 1995-96 Council approved an annual Call-Up on the members of 0.77 (1994-95: 0.74). Council subsequently approved a refund of 0.02 in respect of 1995-96 (1994-95: NIL) for members continuing membership into 1996-97.

The Association's financial position during 1995-96 has been maintained on a sound basis, having regard to the resources and funding for 1995-96 and maintaining a capital fund appropriate to the on-going operations of the Association.

	1995-96 £	1994-95 £
Gross income	5,034,845	4,991,239
Deficit after tax	(506)	(20,688)

Current year

In the current financial year it is the Association's intention to continue promoting the interests and prosperity of its members within the chemical industry. The level of activities will be consistent with the available resources and the efficient operation of the Association.

Political and charitable contributions

The Association made no political contributions. It contributed £205,800 to the CIA Charitable Trust to support chemical education in schools.

Auditors

Resolutions for the re-appointment of KPMG as auditors until the next succeeding Annual General Meeting and for the fixing of their remuneration will be submitted to the forthcoming Annual General Meeting.

By Order of the Council

C R Brooks
General Secretary

Kings Buildings
Smith Square
London SW1P 3JJ
25 September 1996

Report of the Council

for the year ended 30 June 1996

Council presents the Annual Report and audited Statement of Accounts of the Association for the year ended 30 June 1996. This document will be laid before members at the thirty-first Annual General Meeting, to be held on 21 November 1996, notice of which is given separately.

Officers

Dr RC Paul was elected President and Dr GJ Blaker and Mr BK Sanderson were re-elected vice-presidents following the Annual General Meeting in November 1995.

In November 1995 Mr TS McIntyre was elected Chairman of the Employment Affairs Board, and Dr FP Stefanini was elected Chairman of the Business and Trade Board (BTB); in December Dr Stefanini resigned from the BTB and Mr CH Andrews was elected Chairman of the BTB. Mr JMC Puckridge was re-appointed Honorary Treasurer, Mr JG Holloway was re-appointed Chairman of the Chemical Industry Safety Health and Environment Council (CISHEC). In December Mr Holloway stood down from CISHEC and Mr BJ Stickings was appointed Chairman of CISHEC. Dr DJ Giachardi was re-appointed Chairman of the Science, Education and Technology Committee and Mr JG Speirs was re-appointed Chairman of the Public Affairs Committee.

Council and the Boards

All those who served on the Council during the year are listed on page 15 of this report.

There are no contracts, shareholdings or other arrangements benefiting any Member of Council which require disclosure in terms of the Companies Act 1985.

Membership of the Employment Affairs Board, the Business and Trade Board, the Chemical Industry Safety, Health and Environment Council (CISHEC), the Science, Education and Technology Committee and the General Purposes & Finance Committee is shown on pages 18 to 21.

Council met seven times and the Employment Affairs Board, the Business and Trade Board, the Chemical Industry Safety Health and Environment Council, the Science, Education and Technology Committee, the Public Affairs Committee and the General Purposes and Finance Committee all met regularly during the year.

Members were kept fully informed of the activities of all the above bodies and of the work done by the many other Association committees and sub-committees.

Statement of the Council members' responsibilities

Company law requires the Council Members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the Association's surplus or deficit for that period.

In preparing those financial statements, the Council Members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Council Members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Management

For the purposes of the Companies Acts, the Council Members constitute the Association's directors; however, the full-time senior managers are listed on page 24.

Staff

On 30 June 1996 the establishment of the Association, excluding the senior managers, comprised 52 (50) staff. The weekly average figure of employees, including the senior managers, was 56 (57). The figures in parentheses are those for the previous year and all figures exclude three employees allocated to the British Aerosol Manufacturers Association.

The Association is staffed throughout with talented and committed people. Council wishes to record its appreciation to all staff for their contribution during the year. Council also wishes to express its gratitude to Mr JCL Cox for eight years' service as Director General and welcomes Dr Elliot Finer as the new Director General.

Reorganisation

In May 1995 Council approved a plan to reorganise the Association's staffing structure to take effect in June 1995. The overall impact on staff resources was a reduction of 4 positions by way of early retirement and redundancy. In May 1996 one further position was declared redundant. Council believes that these reorganisations have been handled sympathetically.

Principal activities

The basic objectives and principal activities of the Association have remained as shown in its Memorandum and Articles of Association and are:

- The promotion of the interests of manufacturers, processors, sellers, providers of services and employers in the chemical and allied industries in the United Kingdom.
- The furthering of co-operation between companies engaged in those industries.
- The encouragement of efficiency in those industries.

The Association's mission is to help members secure sustainable profitability and improve recognition of their contribution to society, by working with them to influence relevant people and policies and by stimulating and helping them towards appropriate internal action, singly or co-operatively.

Details of the Association's work during the year are to be found in the Statement by the President and in the Director General's Report on pages 2 and 4 to 14.

Balance sheet

as at 30 June 1996

The notes on pages 30 to 32 form part of these accounts

		1996 £	1995 £
Note 14	Fixed assets	12,464	32,505
	Current assets		
	Debtors:		
	Trade debtors	346,947	507,602
	Other debtors	70,551	76,818
	Corporate tax recoverable	-	21,530
	Prepayments and accrued income	277,531	250,082
	Cash in hand and at bank	2,460	1,996
	Short term deposits	1,290,000	960,000
		1,987,489	1,818,028
	Current liabilities		
	Creditors – amounts falling due within one year:		
	Bank overdraft	42,191	5,299
	Payments received in advance	488,536	374,728
	Trade creditors	188,154	214,931
	Other creditors	20,661	9,168
	Taxation and social security	482,513	488,245
Note 6	Designated funds	223,820	268,260
	Accruals	360,362	295,680
		1,806,237	1,656,311
	Net current assets		
		181,252	161,717
	Total assets less current liabilities	193,716	194,222
	Financed by:		
	Capital fund	193,716	194,222

The accounts on pages 27 to 32 were approved by Council at a meeting held on 25 September 1996

Dr RC Paul, *President*

JMC Puckridge, *Honorary Treasurer*

CR Brooks, *General Secretary*

The Association is a company limited by guarantee, not having a share capital.

Income and expenditure account

for the year ended 30 June 1996

The notes on pages 30 to 32 form part of these accounts

		1996	1995
	£	£	£
Income			
<i>Note 2</i>	Membership subscriptions	3,917,287	3,978,781
Trading income			
	Rent receivable	66,575	66,415
	Fees from affiliated associations and sector groups	216,705	187,385
	Training services	375,320	328,978
	Sale of publications	105,799	130,532
	Meetings and conferences	192,833	175,917
		<u>957,232</u>	<u>889,227</u>
	Less costs related to trading income:		
	Training services	289,638	229,529
	Sale of publications	83,512	150,747
	Meetings and conferences	199,113	193,485
		<u>572,263</u>	<u>573,761</u>
	Contributions from trading income	384,969	315,466
	Net Income	<u>4,302,256</u>	<u>4,294,247</u>
Expenditure			
	Salaries and wages	1,713,673	1,889,226
	Staff related costs:		
	National Insurance	153,490	171,446
<i>Note 5</i>	Pension and life assurance	217,721	287,937
	Limited contract and external consultancy	199,037	145,691
<i>Note 8</i>	Reconstruction and reorganisation costs	13,750	16,299
	Staff medical insurance	52,595	49,873
	Staff training and recruitment	64,543	59,551
		<u>701,136</u>	<u>730,797</u>
<i>Note 9</i>	Property occupancy costs:	890,606	879,668
	Operating expenses:		
	Travelling expenses	197,166	202,911
	Free publications and bulletins	126,293	94,970
	Periodicals and books	21,470	29,617
	Stationery and photocopying	100,344	117,159
	Postage and telecommunications	90,839	93,329
<i>Note 10</i>	Subscriptions to kindred associations	245,898	226,926
	Legal and professional	2,050	6,098
	Auditors remuneration	8,289	9,143
	Insurance	9,299	11,024
	Agency costs	147,586	120,065
	Sundry expenses	16,065	19,699
<i>Note 11</i>	Charitable Trust	137,500	-
	Office equipment repairs	25,379	21,171
<i>Note 12</i>	Depreciation	40,994	5,408
		<u>1,169,172</u>	<u>957,520</u>
	Total expenditure	<u>4,474,587</u>	<u>4,457,211</u>
	Deficit on ordinary activities before interest and tax	(172,331)	(162,964)
	Interest receivable	160,326	123,231
	Deficit before tax	(12,005)	(39,733)
<i>Note 13</i>	Tax recoverable	11,499	19,045
	Deficit after tax	(506)	(20,688)
	Capital fund at beginning of year	194,222	214,910
	Capital fund at end of year	<u>193,716</u>	<u>194,222</u>

The Association had no other recognised gains or losses in 1996 or the prior year.

Notes to the accounts

for the year ended 30 June 1996

1 Accounting policies

- (i) The Accounts are prepared under the historical cost convention and in accordance with the Companies Act 1985 as amended by the Companies Act 1989 and in accordance with applicable accounting standards.
- (ii) Stocks of publications and stationery are treated as having zero net realisable value.
- (iii) Depreciation of fixed assets:
 - (a) Fixed assets costing more than £1,500 are written off over three years
 - (b) Assets costing less than £1,500 are provided in full in the year of purchase.

2 Subscriptions

Subscription income is based on Member Company declarations which are accepted by the Association as being valid, without verification, for the purposes of calculating subscription fees due from each Member Company.

3 Members liability

Each member is, in accordance with the Memorandum & Articles of Association, liable to contribute to the assets of the Association such amount as may be required, not exceeding £100, in the event of the Association being wound up. This liability continues for one year after cessation of membership. On 30 June 1996 there were 177 members of the Association so liable (1995-180).

4 Format of accounts

The formats for income and expenditure account and balance sheet included under Schedule 4 (Paragraph 1) Companies Act 1985, have been amended where in the Council's opinion the formats are not applicable to the Association's special circumstances. In order to express a true and fair view of the balance sheet, the Association's Capital Fund has not been classified under capital and reserves as required by the Companies Act 1985. The Association is a company limited by guarantee, not having a share capital and is principally involved in non-trading activities. In compliance with Section 288(5) Companies Act 1985 the Council presents the Accounts in an amended format.

5 Pensions

The Association operates a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the Association, being invested with an insurance company.

Contributions to the scheme are charged to the income and expenditure account so as to spread the cost of pensions over employees' working lives with the Association.

The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The most recent valuation was as at July 1994. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on the investments and the rates of increase in salaries and pensions. It was assumed that the investment returns would be 9% per annum, that salary increases would average 7% per annum and that present and future pensions would increase at the rate of 4.75% per annum.

The most recent actuarial valuation showed that the market value of the scheme's assets was £3,447,587 and that the actuarial value of those assets taking into account subsequent enhancements represented 100% of the benefits that had accrued to members. The pension charge for the period was £217,721 (1995 - £287,937). The contribution for 1993 included an additional payment of which £45,000 (1995 - £50,000) has been treated as a prepayment to spread the cost over employees' average future active service.

This defined benefit scheme was closed to new members with effect from 30 June 1995; a personal pension scheme was introduced for new employees effective 1 July 1995.

6 Designated funds

Designated funds represent money subscribed for specific medical, research, educational and other projects held in trust by the Association for those purposes.

7 Council members and employees

Neither the President nor any of the Officers and Council Members who served during the year received any emoluments from the Association in respect of the year ended 30 June 1996 (1995 - NIL).

For the purposes of the Companies Act 1985, the Council Members constitute the Association's Directors.

Cash flow statement

for the year ended 30 June 1996

The notes on pages 30 and 32 form part of these accounts

	£	1996 £	£	1995 £
Cash flows				
<i>Note 15</i> Net cash inflow/(outflow) from operating activities		121,439		(1,220,772)
Returns on investments and servicing of finance				
Interest received		160,039		122,884
Taxation recovered/(paid)		33,029		(20,266)
Investing activities				
Payments to acquire tangible fixed assets	(30,185)		(27,850)	
Receipts from sales of tangible fixed assets	9,250		67,009	
Net cash (outflow)/inflow from investing activities		(20,935)		39,159
Net cash inflow/(outflow) before financing		293,572		(1,078,995)
<i>Note 17</i> Increase/(decrease) in cash and cash equivalents		293,572		(1,078,995)

Auditors' report

to the Members of the Chemical Industries Association Limited

We have audited the financial statements on pages 27-32.

Respective responsibilities of the Council members and auditors

As described on page 25 the Council members are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

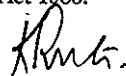
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Council members in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 1996 and of its excess of expenditure over income for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



KPMG
Chartered Accountants
Registered Auditors

London
25 September 1996

Notes to the Accounts

	1996 £	1995 £
15 Reconciliation of operating loss to net cash inflow/(outflow) from operating activities		
Operating loss	(172,331)	(142,964)
Depreciation charges	50,226	54,402
Profit of sale of tangible assets	(9,250)	(48,994)
Decrease/(increase) in debtors	139,760	(163,875)
(Decrease)/increase in creditors	(774)	57,705
Increase/(decrease) in payments in advance	113,808	(977,046)
Net cash inflow/(outflow) from operating activities	121,439	(1,220,772)

Cash flow from operating activities includes subscription payments received in advance; the timing of receipt of such subscription payments can cause fluctuations in the cash flow statement.

16 Analysis of changes in cash and cash equivalents during the year

Balance at 1 July 1995	956,697	2,035,692
Short term deposits inflow/(outflow)	330,000	(1,040,000)
Other cash (outflows)	(36,428)	(38,995)
Balance at 30 June 1996	1,250,269	956,697

17 Analysis of the balances of cash and cash equivalents as shown in the balance sheet

	Change in year £	1996 £	1995 £
Cash at bank and in hand	464	2,460	1,996
Bank overdraft	(36,892)	(42,191)	(5,299)
Short term deposits	330,000	1,290,000	960,000
	293,572	1,250,269	956,697

Chemical Industries Association Limited
A company limited by guarantee, not having a share capital.

Registered number: 860702 England

Registered office:
Kings Buildings
Smith Square
London SW1P 3JJ

Telephone: 0171-834 3399

Bankers:
National Westminster Bank PLC
36 St James's Street
London SW1A 1JF

Auditors:
KPMG
8 Salisbury Square
London EC4Y 8BB

Solicitors:
Linklaters & Paines
Barrington House
59-67 Gresham Street
London EC2V 7JA

	1996 £	1995 £	
8 Reorganisation costs			
Redundancies and other staff restructuring costs	13,750	116,299	
Restructuring costs, release of provision	-	(100,000)	
	<u>13,750</u>	<u>16,299</u>	
9 Property occupancy costs			
Rent	515,503	511,872	
Rates	198,193	203,302	
Service charges	123,247	119,474	
Building repairs and maintenance	53,663	45,020	
	<u>890,606</u>	<u>879,668</u>	
10 Subscription to kindred associations			
CEFIC	192,604	174,243	
The Confederation of British Industry	21,427	20,759	
The National Chemical Emergency Centre	20,000	20,000	
Other	11,867	11,924	
	<u>245,898</u>	<u>226,926</u>	
11 Charitable Trust			
Gift aid contribution	137,500	-	
Transfer of surplus from designated fund	68,300	-	
Total gift to CIA Charitable Trust	<u>205,800</u>	<u>-</u>	
12 Depreciation			
Depreciation charge for year	50,226	54,402	
Profit on sale of assets	(9,232)	(48,994)	
	<u>40,994</u>	<u>5,408</u>	
13 Taxation			
UK corporation tax 25%			
Taxation recoverable	-	20,109	
Adjustment relating to prior year	11,499	(1,064)	
Tax recoverable	<u>11,499</u>	<u>19,045</u>	
14 Fixed assets	Furniture & Fittings £	Motor vehicles £	Total £
COST:			
Balance at 1 July 1995	429,470	26,721	456,191
Additions in year	30,185	-	30,185
Balance at 30 June 1996	<u>459,655</u>	<u>26,721</u>	<u>486,376</u>
DEPRECIATION:			
Balance at 1 July 1995	396,965	26,721	423,686
Charge for the year	50,226	-	50,226
Balance at 30 June 1996	<u>447,191</u>	<u>26,721</u>	<u>473,912</u>
NET BOOK VALUE at 30 June 1996	<u>12,464</u>	<u>-</u>	<u>12,464</u>
NET BOOK VALUE at 30 June 1995	<u>32,505</u>	<u>-</u>	<u>32,505</u>

The balance is overwhelmingly positive

When I took up the reins of presidency at the Annual General Meeting last November I firmly believed that the general public did not appreciate the way chemicals play such an all pervasive and ever-growing part in the quality of life we enjoy today. That is why I chose "The part chemicals play in our quality of life and standard of living" as the campaign message for my presidency of the Chemical Industries Association.

Chemicals contribute to our quality of life in two distinct ways. First they improve value for money in existing products by lowering costs and giving better performance; secondly they play a significant part in innovation and making scientific progress possible in a wide range of fields. We have been heavily engaged in the Foresight initiative which has concentrated our attention on innovation and creativity. This has led to an unprecedented pooling of ideas, and knowledge of our future requirements, and it is clear that chemicals, chemistry and their related disciplines will be prominent in satisfying the consequent demands.

Like all other human endeavour the chemical industry is not perfect; it has benefits and costs, successes and failures. We in the chemical industry know the balance to be overwhelmingly positive but our efforts in taking Responsible Care in the manufacture and distribution of chemicals is critical to shifting this balance of favourability towards our industry. The Responsible Care programme is about performance and openness and the need to inform people of our progress in all aspects of health safety and environmental protection.

Each year the Association on behalf of its membership publishes indicators of performance in the critical areas of health safety and environment. The indicators are designed to demonstrate trends in such areas as the safety of our operations, our spend on environmental improvement and the number of links between sites and local communities. Since we began producing these indicators over six years ago there has been significant improvement in our performance. In particular, good progress has been made in our efforts to reduce discharge of waste to the aqueous environment and to improve our energy efficiency. Some momentum has been lost in the past year in the rate of reduction in lost time accidents across our industry as a whole. Our aim must be to bring this average performance up to the standard already being achieved by the best.

Life in the modern world is impossible without chemicals and if the past is a guide to the future society is going to use even more chemicals in the years to come. It is therefore important that intelligent and informed judgements are made on the use of chemicals; otherwise resources will be misdirected and we will fail to reap the benefits available. The trust that will enable this to happen has to be earned through performance.

Turning to the economic scene, after a strong start to 1995, UK chemicals output advanced only

sluggishly in the second half of the year. This was against a background of weakness in manufacturing output at home and general economic slowdown, compounded by a significant element of destocking, in Europe generally. While trading began slowly at the start of 1996, chemicals output grew more towards the end of the first half and, based on a pick-up in the business cycle in both the UK and the rest of Europe, further improvement is expected in the second half. Following several years of reduction, capital spending reached a turning point last year and, although companies continue to exercise caution, a larger increase in spending is expected for 1996.

John Cox retired from the Association as Director General in November 1995 after eight years. He had worked and campaigned tirelessly for the interests of our industry and we gratefully acknowledge his major contribution. I take this opportunity to welcome the arrival of Dr Elliot Finer, our new Director General, who is already bringing his talents to bear on the Association's activities; it also gives me great pleasure to thank member company representatives and all the staff of the Association who have contributed to another successful and busy year.



President
September 1996

CIA MISSION *To help members secure sustainable profitability and improve recognition of their contribution to society, by working with them to influence relevant people and policies and by stimulating and helping them towards appropriate internal action, singly or cooperatively.*

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	1996 £	1995 £	
8 Reorganisation costs			
Redundancies and other staff restructuring costs	13,750	116,299	
Restructuring costs, release of provision	<u>-</u>	<u>(100,000)</u>	
	13,750	16,299	
9 Property occupancy costs			
Rent	515,503	511,872	
Rates	198,193	203,302	
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	245,898	226,926	
11 Charitable Trust			
Gift aid contribution	137,500	-	
Transfer of surplus from designated fund	<u>68,300</u>	<u>-</u>	
	205,800	-	
12 Depreciation			
Depreciation charge for year	50,226	54,402	
Profit on sale of assets	<u>(9,232)</u>	<u>(48,994)</u>	
	40,994	5,408	
13 Taxation			
UK corporation tax 25%	-	20,109	
Taxation recoverable	11,499	<u>(1,064)</u>	
Adjustment relating to prior year	<u>11,499</u>	<u>19,045</u>	
Tax recoverable			
	Furniture & Fittings £	Motor vehicles £	Total £
14 Fixed assets			
COST:			
Balance at 1 July 1995	429,470	26,721	456,191
Additions in year	30,185	-	30,185
Balance at 30 June 1996	<u>459,655</u>	<u>26,721</u>	<u>486,376</u>
DEPRECIATION:			
Balance at 1 July 1995	396,965	26,721	423,686
Charge for the year	50,226	-	50,226
Balance at 30 June 1996	<u>447,191</u>	<u>26,721</u>	<u>473,912</u>
	12,464	-	12,464
NET BOOK VALUE at 30 June 1996			
	<u>32,505</u>	<u>-</u>	<u>32,505</u>
NET BOOK VALUE at 30 June 1995			

Notes to the Accounts

	1996 £	1995 £
15 Reconciliation of operating loss to net cash inflow/(outflow) from operating activities		
Operating loss	(172,331)	(142,964)
Depreciation charges	50,226	54,402
Profit of sale of tangible assets	(9,250)	(48,994)
Decrease/(increase) in debtors	139,760	(163,875)
(Decrease)/increase in creditors	(774)	57,705
Increase/(decrease) in payments in advance	113,808	(977,046)
Net cash inflow/(outflow) from operating activities	<u>121,439</u>	<u>(1,220,772)</u>

Cash flow from operating activities includes subscription payments received in advance; the timing of receipt of such subscription payments can cause fluctuations in the cash flow statement.

16 Analysis of changes in cash and cash equivalents during the year

Balance at 1 July 1995	956,697	2,035,692
Short term deposits inflow/(outflow)	330,000	(1,040,000)
Other cash (outflows)	(36,428)	(38,995)
Balance at 30 June 1996	<u>1,250,269</u>	<u>956,697</u>

17 Analysis of the balances of cash and cash equivalents as shown in the balance sheet

	Change in year £	1996 £	1995 £
Cash at bank and in hand	464	2,460	1,996
Bank overdraft	(36,892)	(42,191)	(5,299)
Short term deposits	330,000	1,290,000	960,000
	<u>293,572</u>	<u>1,250,269</u>	<u>956,697</u>

Chemical Industries Association Limited
A company limited by guarantee, not
having a share capital.

Registered number: 860702 England

Registered office:
Kings Buildings
Smith Square
London SW1P 3JJ

Telephone: 0171-834 3399

Bankers:
National Westminster Bank PLC
36 St James's Street
London SW1A 1JF

Auditors:
KPMG
8 Salisbury Square
London EC4Y 8BB

Solicitors:
Linklaters & Paines
Barrington House
59-67 Gresham Street
London EC2V 7JA

Cash flow statement

for the year ended 30 June 1996

The notes on pages 30 and 32 form part of these accounts

	£	1996 £	£	1995 £
Cash flows				
<i>Note 15</i> Net cash inflow/(outflow) from operating activities		121,439		(1,220,772)
Returns on investments and servicing of finance				
Interest received		160,039		122,884
Taxation recovered/(paid)		33,029		(20,266)
Investing activities				
Payments to acquire tangible fixed assets	(30,185)		(27,850)	
Receipts from sales of tangible fixed assets	9,250		67,009	
Net cash (outflow)/inflow from investing activities		(20,935)		39,159
Net cash inflow/(outflow) before financing		293,572		(1,078,995)
<i>Note 17</i> Increase/(decrease) in cash and cash equivalents		293,572		(1,078,995)

Auditors' report

to the Members of the Chemical Industries Association Limited

We have audited the financial statements on pages 27-32.

Respective responsibilities of the Council members and auditors

As described on page 25 the Council members are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Council members in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 1996 and of its excess of expenditure over income for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



KPMG
Chartered Accountants
Registered Auditors

London
25 September 1996

Notes to the accounts

for the year ended 30 June 1996

1 Accounting policies

- (i) The Accounts are prepared under the historical cost convention and in accordance with the Companies Act 1985 as amended by the Companies Act 1989 and in accordance with applicable accounting standards.
- (ii) Stocks of publications and stationery are treated as having zero net realisable value.
- (iii) Depreciation of fixed assets:
 - (a) Fixed assets costing more than £1,500 are written off over three years
 - (b) Assets costing less than £1,500 are provided in full in the year of purchase.

2 Subscriptions

Subscription income is based on Member Company declarations which are accepted by the Association as being valid, without verification, for the purposes of calculating subscription fees due from each Member Company.

3 Members liability

Each member is, in accordance with the Memorandum & Articles of Association, liable to contribute to the assets of the Association such amount as may be required, not exceeding £100, in the event of the Association being wound up. This liability continues for one year after cessation of membership. On 30 June 1996 there were 177 members of the Association so liable (1995-180).

4 Format of accounts

The formats for income and expenditure account and balance sheet included under Schedule 4 (Paragraph 1) Companies Act 1985, have been amended where in the Council's opinion the formats are not applicable to the Association's special circumstances. In order to express a true and fair view of the balance sheet, the Association's Capital Fund has not been classified under capital and reserves as required by the Companies Act 1985. The Association is a company limited by guarantee, not having a share capital and is principally involved in non-trading activities. In compliance with Section 288(5) Companies Act 1985 the Council presents the Accounts in an amended format.

5 Pensions

The Association operates a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the Association, being invested with an insurance company.

Contributions to the scheme are charged to the income and expenditure account so as to spread the cost of pensions over employees' working lives with the Association.

The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The most recent valuation was as at July 1994. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on the investments and the rates of increase in salaries and pensions. It was assumed that the investment returns would be 9% per annum, that salary increases would average 7% per annum and that present and future pensions would increase at the rate of 4.75% per annum.

The most recent actuarial valuation showed that the market value of the scheme's assets was £3,447,587 and that the actuarial value of those assets taking into account subsequent enhancements represented 100% of the benefits that had accrued to members. The pension charge for the period was £217,721 (1995 - £287,937). The contribution for 1993 included an additional payment of which £45,000 (1995 - £50,000) has been treated as a prepayment to spread the cost over employees' average future active service.

This defined benefit scheme was closed to new members with effect from 30 June 1995; a personal pension scheme was introduced for new employees effective 1 July 1995.

6 Designated funds

Designated funds represent money subscribed for specific medical, research, educational and other projects held in trust by the Association for those purposes.

7 Council members and employees

Neither the President nor any of the Officers and Council Members who served during the year received any emoluments from the Association in respect of the year ended 30 June 1996 (1995 - NIL).

For the purposes of the Companies Act 1985, the Council Members constitute the Association's Directors.

Income and expenditure account

for the year ended 30 June 1996

The notes on pages 30 to 32 form part of these accounts

		1996	1995
	£	£	£
	Income		
Note 2	Membership subscriptions	3,917,287	3,978,781
	Trading income		
	Rent receivable	66,575	66,415
	Fees from affiliated associations and sector groups	216,705	187,385
	Training services	375,320	328,978
	Sale of publications	105,799	130,532
	Meetings and conferences	192,833	175,917
		<u>957,232</u>	<u>889,227</u>
	Less costs related to trading income:		
	Training services	289,638	229,529
	Sale of publications	83,512	150,747
	Meetings and conferences	199,113	193,485
		<u>572,263</u>	<u>573,761</u>
	Contributions from trading income	384,969	315,466
	Net Income	<u>4,302,256</u>	<u>4,294,247</u>
	Expenditure		
	Salaries and wages	1,713,673	1,889,226
	Staff related costs:		
	National Insurance	153,490	171,446
Note 5	Pension and life assurance	217,721	287,937
	Limited contract and external consultancy	199,037	145,691
Note 8	Reconstruction and reorganisation costs	13,750	16,299
	Staff medical insurance	52,595	49,873
	Staff training and recruitment	64,543	59,551
		<u>701,136</u>	<u>730,797</u>
Note 9	Property occupancy costs:	890,606	879,668
	Operating expenses:		
	Travelling expenses	197,166	202,911
	Free publications and bulletins	126,293	94,970
	Periodicals and books	21,470	29,617
	Stationery and photocopying	100,344	117,159
	Postage and telecommunications	90,839	93,329
Note 10	Subscriptions to kindred associations	245,898	226,926
	Legal and professional	2,050	6,098
	Auditors remuneration	8,289	9,143
	Insurance	9,299	11,024
	Agency costs	147,586	120,065
	Sundry expenses	16,065	19,699
Note 11	Charitable Trust	137,500	-
	Office equipment repairs	25,379	21,171
Note 12	Depreciation	40,994	5,408
		<u>1,169,172</u>	<u>957,520</u>
	Total expenditure	<u>4,474,587</u>	<u>4,457,211</u>
	Deficit on ordinary activities before interest and tax	(172,331)	(162,964)
	Interest receivable	160,326	123,231
	Deficit before tax	(12,005)	(39,733)
Note 13	Tax recoverable	11,499	19,045
	Deficit after tax	(506)	(20,688)
	Capital fund at beginning of year	194,222	214,910
	Capital fund at end of year	<u>193,716</u>	<u>194,222</u>

The Association had no other recognised gains or losses in 1996 or the prior year.

Balance sheet

as at 30 June 1996

The notes on pages 30 to 32 form part of these accounts

	£	1996 £	£	1995 £
Note 14 Fixed assets		12,464		32,505
Current assets				
Debtors:				
Trade debtors	346,947		507,602	
Other debtors	70,551		76,818	
Corporate tax recoverable	-		21,530	
Prepayments and accrued income	277,531		250,082	
Cash in hand and at bank	2,460		1,996	
Short term deposits	1,290,000		960,000	
	<u>1,987,489</u>		<u>1,818,028</u>	
Current liabilities				
Creditors – amounts falling due within one year:				
Bank overdraft	42,191		5,299	
Payments received in advance	488,536		374,728	
Trade creditors	188,154		214,931	
Other creditors	20,661		9,168	
Taxation and social security	482,513		488,245	
Designated funds	223,820		268,260	
Accruals	360,362		295,680	
	<u>1,806,237</u>		<u>1,656,311</u>	
Net current assets				
		181,252		161,717
Total assets less current liabilities		193,716		194,222
Financed by:				
Capital fund		193,716		194,222

The accounts on pages 27 to 32 were approved by Council at a meeting held on 25 September 1996
 Dr RC Paul, *President*
 JMC Puckridge, *Honorary Treasurer*
 CR Brooks, *General Secretary*

The Association is a company limited by guarantee, not having a share capital.

Report of the Council

for the year ended 30 June 1996

Council presents the Annual Report and audited Statement of Accounts of the Association for the year ended 30 June 1996. This document will be laid before members at the thirty-first Annual General Meeting, to be held on 21 November 1996, notice of which is given separately.

Officers

Dr RC Paul was elected President and Dr GJ Blaker and Mr BK Sanderson were re-elected vice-presidents following the Annual General Meeting in November 1995.

In November 1995 Mr TS McIntyre was elected Chairman of the Employment Affairs Board, and Dr FP Stefanini was elected Chairman of the Business and Trade Board (BTB); in December Dr Stefanini resigned from the BTB and Mr CH Andrews was elected Chairman of the BTB. Mr JMC Puckridge was re-appointed Honorary Treasurer, Mr JG Holloway was re-appointed Chairman of the Chemical Industry Safety Health and Environment Council (CISHEC). In December Mr Holloway stood down from CISHEC and Mr BJ Stickings was appointed Chairman of CISHEC. Dr DJ Giachardi was re-appointed Chairman of the Science, Education and Technology Committee and Mr JG Speirs was re-appointed Chairman of the Public Affairs Committee.

Council and the Boards

All those who served on the Council during the year are listed on page 15 of this report.

There are no contracts, shareholdings or other arrangements benefiting any Member of Council which require disclosure in terms of the Companies Act 1985.

Membership of the Employment Affairs Board, the Business and Trade Board, the Chemical Industry Safety, Health and Environment Council (CISHEC), the Science, Education and Technology Committee and the General Purposes & Finance Committee is shown on pages 18 to 21.

Council met seven times and the Employment Affairs Board, the Business and Trade Board, the Chemical Industry Safety Health and Environment Council, the Science, Education and Technology Committee, the Public Affairs Committee and the General Purposes and Finance Committee all met regularly during the year.

Members were kept fully informed of the activities of all the above bodies and of the work done by the many other Association committees and sub-committees.

Statement of the Council members' responsibilities

Company law requires the Council Members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the Association's surplus or deficit for that period.

In preparing those financial statements, the Council Members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Council Members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Management

For the purposes of the Companies Acts, the Council Members constitute the Association's directors; however, the full-time senior managers are listed on page 24.

Staff

On 30 June 1996 the establishment of the Association, excluding the senior managers, comprised 52 (50) staff. The weekly average figure of employees, including the senior managers, was 56 (57). The figures in parentheses are those for the previous year and all figures exclude three employees allocated to the British Aerosol Manufacturers Association.

The Association is staffed throughout with talented and committed people. Council wishes to record its appreciation to all staff for their contribution during the year. Council also wishes to express its gratitude to Mr JCL Cox for eight years' service as Director General and welcomes Dr Elliot Finer as the new Director General.

Reorganisation

In May 1995 Council approved a plan to reorganise the Association's staffing structure to take effect in June 1995. The overall impact on staff resources was a reduction of 4 positions by way of early retirement and redundancy. In May 1996 one further position was declared redundant. Council believes that these reorganisations have been handled sympathetically.

Principal activities

The basic objectives and principal activities of the Association have remained as shown in its Memorandum and Articles of Association and are:

- The promotion of the interests of manufacturers, processors, sellers, providers of services and employers in the chemical and allied industries in the United Kingdom.
- The furthering of co-operation between companies engaged in those industries.
- The encouragement of efficiency in those industries.

The Association's mission is to help members secure sustainable profitability and improve recognition of their contribution to society, by working with them to influence relevant people and policies and by stimulating and helping them towards appropriate internal action, singly or co-operatively.

Details of the Association's work during the year are to be found in the Statement by the President and in the Director General's Report on pages 2 and 4 to 14.

Report of the Council

Association structure

The constitution and structure of the Association have remained unaltered during the year and are as described in the Articles of Association. The constitution allows for a maximum of 35 council members and, at 30 June 1996, there were 32 members as indicated by the figures in parentheses in the table below:

- (8) Eight places to be automatically filled by the member companies who paid the eight highest subscriptions in the previous year.
- (9) Nine elected places for companies not included in the group above but who paid subscriptions above the minimum level.
- (3) Three elected places for minimum subscription members.
 - (1) The Immediate Past President.
 - (1) The Chairmen of the Employment Affairs Board and the Business and Trade Board.
 - (5) The five Regional Chairmen.
 - (1) Up to three nominees of major allied trade associations.
 - (4) Up to four co-opted invitees at the discretion of Council.

Responsible Care

The Responsible Care programme is about performance and openness. It is the chemical industry's commitment to continuous improvements in all aspects of health, safety and environmental protection and to inform people of its performance in these areas. Responsible Care is a voluntary programme of action, fundamental to the industry's present and future performance and the key to regaining public confidence and maintaining acceptability. Adherence to the principles and objectives of Responsible Care is a condition of membership of the Association; every member company has signed, at Chief Executive level, a commitment to the Responsible Care Health, Safety and Environmental Guiding Principles.

Sector/product groups

The total of sector groups at 30 June 1996 was twelve.

Membership

On 30 June 1996 there were 178 subscription paying companies (listed on pages 16 and 17), compared with 176 in the previous year.

During the year the following companies joined the Association:

Allied Colloids Ltd
Boots Contract Manufacturing
Huntsman Carrington
Lundbeck Pharmaceuticals Limited
Montell Carrington
SIKA Ltd
SNPE Limited

Of the companies in membership on 30 June 1996, five resigned with effect from 1 July 1996.

Financial review of the year

On the basis of the preliminary estimates of expenditure and trading income for the financial year 1995-96 Council approved an annual Call-Up on the members of 0.77 (1994-95: 0.74). Council subsequently approved a refund of 0.02 in respect of 1995-96 (1994-95: NIL) for members continuing membership into 1996-97.

The Association's financial position during 1995-96 has been maintained on a sound basis, having regard to the resources and funding for 1995-96 and maintaining a capital fund appropriate to the on-going operations of the Association.

	1995-96 £	1994-95 £
Gross income	5,034,845	4,991,239
Deficit after tax	(506)	(20,688)

Current year

In the current financial year it is the Association's intention to continue promoting the interests and prosperity of its members within the chemical industry. The level of activities will be consistent with the available resources and the efficient operation of the Association.

Political and charitable contributions

The Association made no political contributions. It contributed £205,800 to the CIA Charitable Trust to support chemical education in schools.

Auditors

Resolutions for the re-appointment of KPMG as auditors until the next succeeding Annual General Meeting and for the fixing of their remuneration will be submitted to the forthcoming Annual General Meeting.

By Order of the Council

C R Brooks
General Secretary

Kings Buildings
Smith Square
London SW1P 3JJ
25 September 1996

Director General Dr Elliot Finer

PA to Director General
Jean Hettiaratchi

Senior Secretary 1/2
Norma Wright

Director Business and SHE Affairs David Culpin

Senior Secretary
Deborah Hall
Membership database

Membership, Legal, IT Finance & Office Services General Secretary Chris Brooks

**SOCSA, SORIS & SMEs
Executive Director**
Tony Scott

**Secretary/
Administrator**
Ann Geddes

SORIS Manager (M)
Chris Drew

P/T Secretary (M)
Linda McCabe

**Head of
International Trade**
Sean Mackle

Sec/Administrator
Sarah Gibbs

**Manager,
Responsible Care**
Dr Stuart Aaron

Senior Executive
Dr Andrew Robinson

Sec/Admin
Anabel Haslam

**Executive,
Management
Systems**
Jon Faragher

Sec/Administrator 1/2

Senior Economist
Keith Wey

Econ/Statistician
Nick Sturgeon

**Economist/
Energy Executive**
Nitesh Patel

Secretary
Lyn Jones

**Exec Dir Safety
Health & Env Policy**
Doug Rodger

Snr Secretary 1/2
Norma Wright

**Snr Executive
Environment**
Dr Fiona Russell

Secretary 1/2
Lisa Gower

**Snr Executive
Occ Health**
Dr Phillip Lewis

**Exec Distribution
& Safety**
Nick Berentzen

Secretary 1/2
Lyn Burrows

**Executive, Sector
Groups & Products**
Liz Surkovic

Sec/Administrator 1/2

Serv & Facilities Mgr
Lin Broom

**Serv & Facilities
Assistants**
Gary McGuire
Julio Diaz

**Receptionist/
Telephonist**
Jo Lucking

Accounts Snrs
Sue Berryman
Len Maull

Accounts Clerk
Nila Rajabali

Senior management

as at 30 June 1996

Dr EG Finer
Director General

TD Culpin
*Director – Business and SHE
Affairs*

JS Foulds
*Director – Education, Innovation
& Employment Affairs*

JF Jones
*Director – Public Affairs
(from 16 September 1996)*

CR Brooks
General Secretary

Affiliated associations

as at 30 June 1996

The Association of the British Pharmaceutical Industry
British Aerosol Manufacturers' Association
The British Agrochemicals Association Limited
British Association for Chemical Specialities
The British Chemical Distributors & Traders' Association Limited
European Oilfield Speciality Chemicals Association
The Fertiliser Manufacturers Association Ltd
The National Sulphuric Acid Association Ltd
Picon Ltd
The Soap & Detergent Industry Association
Solvents Industry Association Ltd

Honorary members

as at 30 June 1996

RA Banks CBE
CG Bridge CBE
JD Horner
RB Horton
KW Humphreys CBE
JS Hunter CBE
Sir Robin Ibbs KBE
RR Knowland CBE
JK Pitts
AAS Rae CBE
RM Ringwald CBE
Dr D Smith
JH Townsend CBE
NJ Travis
JV Webb
R Whiteley
GF Williams
AS Woodhams OBE

Public Affairs Committee

as at 30 June 1996

Chairman
JG Speirs CBE
*Managing Director,
Norsk Hydro (UK) Limited*

Members
N Abbott
*Group Manager, Public Relations,
The BOC Group plc*
HM Adeney
*Group Public Relations Manager,
ICI PLC*
JE Bishop
*General Manager,
Communications,
BP Chemicals Limited*
A Craven
*Corporate Affairs Manager,
Bayer plc*
M Dawson
*Director of Industry & External
Affairs,
ARCO Chemical Europe Inc*
C Duncan
*Director Public Relations,
British Nuclear Fuels plc*

Dr EG Finer
*Director General,
Chemical Industries Association
Limited*

AD Jordan
*Public Affairs Manager,
Du Pont (U.K.) Limited*

PF Jukes
*Corporate Affairs Director,
Elf Atochem UK Ltd*

RJ Larbey
*Manager, External Affairs,
The Associated Ocel Company
Limited*

RJ Lyon
*Public Affairs Manager,
Dow Chemical Company Limited*

P Malpass
*Head of Communications &
Public Relations,
Rhône-Poulenc Limited*

B Mansfield
*Director of Public Affairs,
BASF plc*

N Menzies
CIA Scottish Committee

Mrs S McLintock
*Head of Corporate
Communications,
Hoechst UK Limited*

B Moffett
*Public Affairs Manager,
Shell Chemicals U.K. Limited*

M Scharf
*Manager, Marketing
Communications,
Monsanto Europe SA*

Ms J Stratton
*Public Affairs Manager,
Albright & Wilson plc*

RD Ward
*Public Affairs Manager,
Laporte plc*

N Watkins
*Public Affairs Manager,
Exxon Chemical Limited*

A Weale
*Group Government
Relations Manager,
ICI PLC*

Science, Education and Technology Committee (SETCOM)

as at 30 June 1996

Chairman
Dr DJ Giachardi
Director, Courtaulds plc

Members
Dr GJK Acres
*Director, Technology Planning,
Johnson Matthey PLC*
Prof CJ Adams
Unilever Research
Dr J Beacham
*Research & Technology Manager,
ICI Chemicals & Polymers Ltd*
Dr JH Brophy
*General Manager Corporate
Research,
BP Chemicals Limited*
GJ Buckley
*Head of Intellectual Property,
Laporte plc*

Dr M Caton
*Director, Scientific Relations,
Rhône-Poulenc Limited*

S Cook
*Research & Development
Director,
Hickson & Welch Ltd*

Dr EG Finer
*Director General,
Chemical Industries Association
Limited*

Dr RD Holton
*Site Manager,
Exxon Chemical Technology
Centre*

Dr E Irving
*Director, Central Research,
Ciba-Geigy PLC*

Dr LJ Kirsch
*Technology Director, Shell
Additives International Ltd*

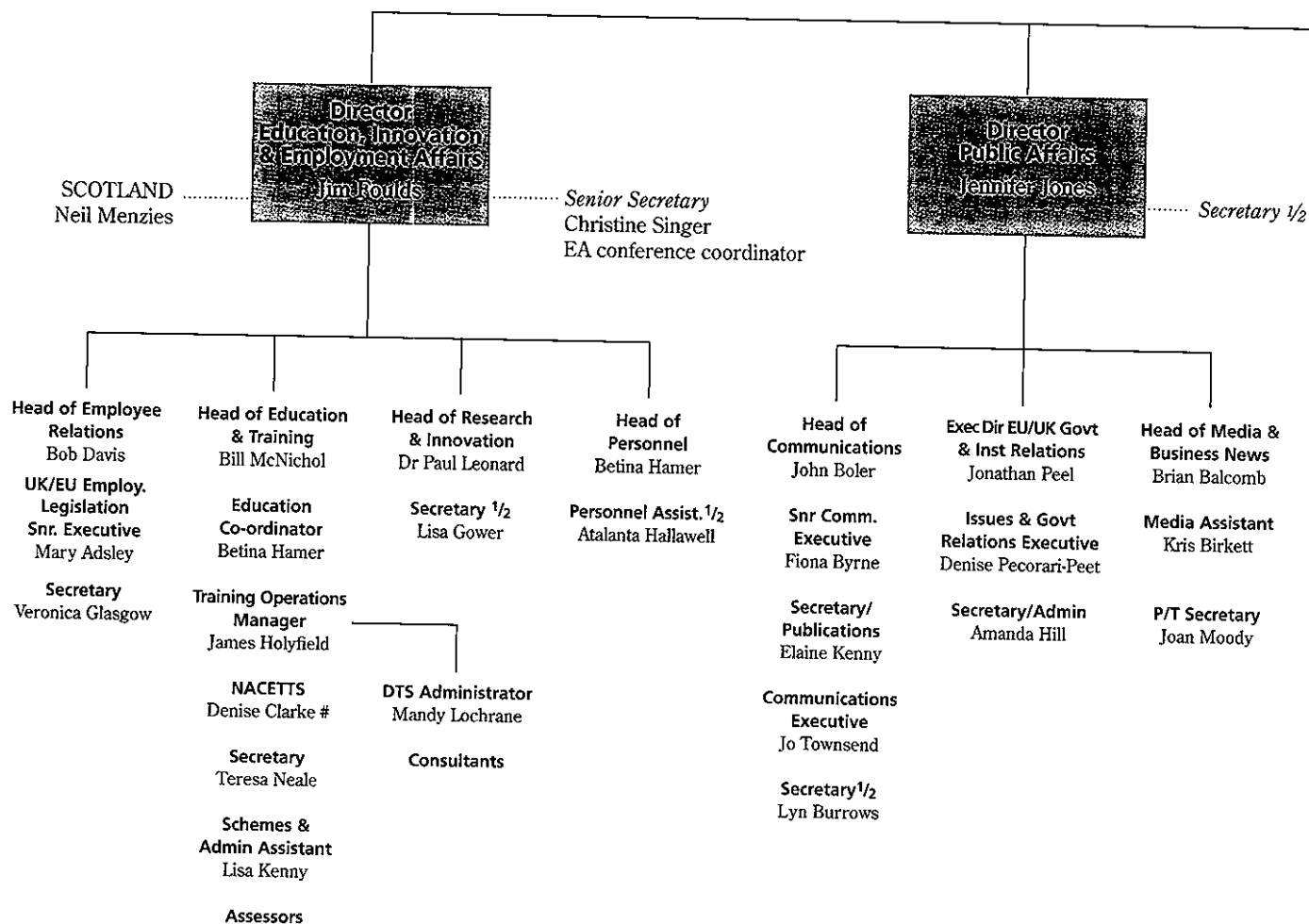
Dr A Kumar
*Education Development
Manager,
Glaxo Wellcome plc*

Dr C Squire
*University Links Manager,
Technology Development,
British Nuclear Fuels plc*

Dr A Smith
Consultant, BIP Group Ltd

Prof PA Tasker
*Academic Relations Officers,
Zeneca Specialities*

Organisation chart



Externally funded for specific period
(M) Based in Macclesfield

25 September 1996

Employment Affairs Board

as at 30 June 1996

Chairman

TS McIntyre
*Head of Personnel and
Management Services,
Roche Products Limited*

Vice Chairman

J Crawford
*Corporate Human Resources
Manager,
Albright & Wilson plc*

Members

BM Ashall
*Managing Director,
Coalite Smokeless Fuels*
JCM Boyd
*Director of Personnel & Legal
Services, BASF plc*
JA Brewer
*Human Resources Director,
Ciba-Geigy PLC*
PA Brown
*Employee Relations and
Remunerations Manager,
Zeneca Group PLC*
Dr EG Finer
*Director General,
Chemical Industries Association
Limited*
LG Fisher
*Non-Executive Chairman,
Robinson Brothers Limited*
NH Fordham
*Personnel Manager,
Clariant UK Ltd*

MR Hall

*Human Resources Manager,
Exxon Chemical Limited*

MJ Higgins

*Human Resources Director,
Bayer plc*

RA Howard

*Personnel and Administration
Manager,
Shell Chemicals U.K. Limited*

M James

*Head of UK Employment Affairs,
ICI PLC*

D Lowe

*Manager of Personnel &
Employee Services,
The Associated Ocel Company
Limited*

HC Marsh

*European Personnel Manager,
Bush Boake Allen Ltd*

ASJ Morgan

*Personnel Director,
Rhône-Poulenc Chemicals Limited*

FH Phillips

*Managing Director,
Harcros Chemicals UK Limited,
Durham Chemicals Division*

AJ Sherrard

*Company Business Planning
Manager, Glaxo Wellcome
Operations*

NA Sumpter

*Personnel Director, UK &
Scandinavia, Monsanto p.l.c.*

Chemical Industry Safety, Health and Environment Council (CISHEC)

as at 30 June 1996

Chairman
BJ Stickings
Managing Director, BASF plc

Members
Dr JR Adsetts
*Technical Director,
Albright & Wilson plc*
CF Bedford
*Deputy Managing Director,
Peboc Division of Eastman
Chemical (U.K.) Ltd*
C Butterfield
*Group Environmental Safety &
Quality Affairs Director, Hickson
International PLC*

Dr IF Carney
*Continental European Safety
Health & Environment Adviser,
ICI PLC*

AR Clare
Consultant, Bob Clare Associates

DJ Coulston
*Director, Health, Safety &
Environmental Protection,
British Nuclear Fuels plc*

RJ Doherty
*Director, Health, Safety &
Environmental Security,
Ciba-Geigy PLC*

J Draper
*Health, Safety & Environmental
Manager,
Shell Chemicals U.K. Limited*

JD Ebert
*Environmental Manager,
BP Chemicals Limited*

Dr EG Finer
*Director General,
Chemical Industries Association
Limited*

L Fortune
*Environmental Affairs
Coordinator, Courtaulds plc*

RL Harrison
*Group Engineering Director,
Engineering Services Division,
Glaxo Wellcome Operations*

D Hayward
*General Manager,
Chemicals Business,
Thomas Swan & Co Ltd*

RJ Hulse
*Group EH&S Manager,
BASF plc*

AL Jones
*Health Safety and Environment
Manager, Europe,
ARCO Chemical Europe Inc*

MB LaGraff
*General Manager, Occupational
Health Safety and Environment,
BP Chemicals Limited*

Dr MKB Molyneux
*Head Occupational Hygiene
Unit, Shell Chemicals U.K.
Limited*

D Rosen
*Senior Engineer,
Exxon Chemical Limited*

Dr GM Schofield
*Health & Safety Commissioner,
Unilever Research*

Dr IC Simpson
*Safety & Environmental
Protection Manager,
Roche Products Limited*

BW Trenbirth
*Technical Director,
Contract Chemicals Limited*

J Vale
*Quality & Logistics Manager,
Exxon Chemical Limited*

Dr J Whiston
*Group Safety, Health &
Environment Manager,
ICI PLC*

CA Wiltshire
*Director, Environmental Safety,
Health & Regulatory Affairs,
Monsanto Europe SA*

General Purposes and Finance Committee

as at 30 June 1996

**Honorary Treasurer &
Chairman**
JMC Puckridge
*Chairman & Managing Director,
Elf Atochem UK Ltd*

Members
Dr GJ Blaker
*Group Technical Director,
Glaxo Wellcome Operations*
Dr EG Finer
*Director General,
Chemical Industries Association
Limited*

Dr T Medinger
*Planning Manager,
Zeneca Group PLC*
Dr RC Paul CBE
*Chief Executive,
Albright & Wilson plc*

BJ Stickings
*Managing Director,
BASF plc*

ET Thurgur
*Managing Director,
Synthite Limited*

Dr DJ Wilbraham
*Chief Executive,
Hickson International PLC*

- Lambson Fine Chemicals Limited
Lambson Speciality Chemicals Limited
- * Lancashire Chemical Works Ltd
Lanstar Limited
- * Laporte plc
Fine Organics Limited
R & J Garroway Limited
Laporte ESD Limited
(trading as Reddish Savilles)
London & Scandinavian Metallurgical Co Limited
Lubrizol Ltd
Lundbeck Pharmaceuticals Limited
- 3M United Kingdom PLC
Macfarlan Smith Limited
- * Magnesium Elektron
- * MEL Chemicals
Mallinckrodt Chemical Ltd
- * AH Marks and Company Limited
- * MEL Chemicals
See Magnesium Elektron
- Merck Ltd
Merck Sharp & Dohme Ltd
Mercury Plastics
See Clariant UK Ltd
- Meristem plc
MG Gas Products Ltd
Mitchell Cotts Chemicals Limited
Molecular Products Ltd
Monsanto p.l.c.
Montell Carrington
- * Morton International Limited
- Nalco/Exxon Energy Chemicals Limited
Nalco Limited
- * Neste Chemicals U.K. Limited
- * Nipa Laboratories Limited
- * Norit (UK) Limited
- * Nufarm UK Ltd
- * The Nutrasweet Kelco Company
- Organic Specialities Limited
- Palmer Research Laboratories
See The Associated Octel Company Ltd
- Peboc Division of Eastman Chemical (U.K.) Ltd
Pentagon Chemicals Limited
- * Perstorp Ferguson Limited
- * Perstorp Waverite Limited
Petrolite Limited
Pfizer Limited
Protim Solignum Limited
See Burmah Castrol Chemicals Ltd
- Quest International
Fragrances, Flavours, Food (Ingredients) UK Limited
- Rechem International Limited
- * Rhône-Poulenc Limited
- * Rhône-Poulenc Agriculture Limited
- * Rhône-Poulenc Chemicals Limited
- * Rhône-Poulenc Rorer Limited
- * Robinson Brothers Limited
- * James Robinson Limited
Roche Products Limited
- * Rohm and Haas (UK) Limited
- * Rohm and Haas (Scotland) Limited
- * Ronseal Ltd
- * RV Chemicals Limited
See Hoechst UK Ltd
- SABIC Global Limited
- * Schenectady Europe Limited
SCM Chemicals-Europe
Seal Sands Chemicals Limited
Sericol Limited
See Burmah Castrol Chemicals Ltd
- * Sevalco Limited
Shell Chemicals U.K. Limited
Sigma Chemical Company
SIKA Ltd
Singleton Birch Limited
SmithKline Beecham p.l.c.
SmithKline Beecham Pharmaceuticals
SNPE Limited
Solvay Chemicals Limited
Solvay Interlox Ltd
Spray Shop Supplies Ltd
See Hoechst UK Ltd
- * Sutcliffe Speakman Carbons Limited
Thomas Swan & Co. Ltd.
Synpac Pharmaceuticals Limited
Synprotec Ltd
Synthetic Chemicals Limited
- * Synthite Limited
- Thor Chemicals (UK) Limited
Thornton & Ross Ltd
Tioxide Group Limited
See Imperial Chemical Industries PLC
- * UCB Films PLC
UCB Sidac Limited
UCB Sidex Limited
Unichema Chemicals Limited
Unilever
Union Camp Chemicals Ltd
See Bush Boake Allen Ltd
Union Carbide Limited
UOP Limited
- * Vencel Resil Limited
Vinamul Limited
- * Viskase Limited
- Warwick International Group Limited
Witton Chemical Co Ltd
- Zeneca Group PLC
Zeon Chemicals Europe Limited

Business and Trade Board

as at 30 June 1996

Chairman	JA Jones
CH Andrews	<i>Area Director and Vice-President, Manufacturing Division, SmithKline Beecham Pharmaceuticals</i>
<i>Chairman & Managing Director, Rhône-Poulenc Limited</i>	
Members	BG Kerr
DR Anderson	<i>Group Financial Director, Ciba-Geigy PLC</i>
<i>Head of Corporate Communications and Chief Economist, Courtaulds plc</i>	JFC Nicholls
Dr TW Bastock	<i>Manager, Public Affairs, Exxon Chemical Limited</i>
<i>Group Sales & Marketing Director, Contract Chemicals Ltd</i>	Dr CB Page
CF Bedford	<i>Director of Chemical Production, Knoll Pharmaceuticals</i>
<i>Deputy Managing Director, Pebec Division of Eastman Chemical (U.K.) Ltd</i>	R Parrott
A Bull	<i>Divisional Chairman, Laporte plc</i>
<i>Executive Vice-President, Air Products Europe</i>	RH Sabberton
KM Duckels	<i>Marketing & Customer Services Manager, Shell Chemicals U.K. Limited</i>
<i>Manager Finance & Administration, Clariant UK Ltd</i>	D Samuelson
Dr EG Finer	<i>Product Group Leader, Hoechst UK Ltd</i>
<i>Director General, Chemical Industries Association Limited</i>	DE Wakeford MBE
RD Freeman OBE	<i>International Trade Manager, Public Affairs Department, ICI PLC</i>
<i>Chief Economist, ICI PLC</i>	A Weale
B Haith	<i>Group Government Relations Manager, ICI PLC</i>
<i>Managing Director, Holliday Dyes & Chemicals Ltd</i>	SJR Woolley
Dr MR Hunt	<i>General Manager - Planning, BP Chemicals Limited</i>
<i>Managing Director, Akzo Nobel Chemicals Limited</i>	C van der Zijden
	<i>Purchasing Director, Monsanto UK</i>

Officers and Council

- President**
 Dr RC Paul CBE
*Chief Executive,
 Albright & Wilson plc
 (from November 1995)*
- JS Fraser**
*Chairman & Chief Executive,
 Ciba-Geigy PLC
 (to November 1995)*
- Vice Presidents**
BK Sanderson
*Chief Executive Officer,
 BP Chemicals Limited*
- Dr GJ Blaker**
*Group Technical Director,
 Glaxo Wellcome Operations*
- Honorary Treasurer**
JMC Puckridge
*Chairman & Managing Director,
 Elf Atochem UK Ltd*
- Immediate Past President**
JS Fraser
*formerly, Ciba-Geigy PLC
 (from November 1995)*
- Dr KW Humphreys CBE**
*formerly, Rhône-Poulenc Limited
 (to November 1995)*
- Members**
LT Aberg
Managing Director, Bayer plc
CH Andrews
*Chairman & Managing Director,
 Rhône-Poulenc Limited*
TA Barnett
*Chief Executive, Ciba-Geigy PLC
 (from November 1995)*
CF Bedford
*Associate Director,
 Pebec Division of
 Eastman Chemical UK*
AM Boden
*Works General Manager,
 BP Chemicals Limited*
ME Brogden
Executive Director, ICI PLC
- C Cherry**
*Chemical Operations Director,
 Rhône-Poulenc Rorer Limited
 (from November 1995)*
WA Colquhoun
*General Manager,
 Shell Chemicals U.K. Limited*
JB Cowan
*Manufacturing Manager,
 Ciba Pigments*
Dr D J Giachardi
Director, Courtaulds plc
DA Hammersley
*Vice-President Europe-Africa,
 Flexsys Rubber Chemicals Ltd*
JG Holloway
*Chairman & Managing Director,
 Exxon Chemical Limited
 (to December 1995)*
DJ Hyner
*Works Manager,
 Zeneca Agrochemicals
 (to November 1995)*
SM Kennedy
*Chairman & Managing
 Director,
 Exxon Chemical Limited
 (from January 1996)*
DJ Kerrison
*Chief Executive,
 Hickson International PLC
 (to November 1995)*
MW Lynham
*Plant Manager, Monsanto p.l.c.
 (from November 1995)*
Dr T McClymont
*Divisional Director,
 Roche Products Limited*
AV McGrath
*Works Manager,
 Albright & Wilson plc
 (to July 1995)*
TS McIntyre
*Head of Personnel &
 Management Services,
 Roche Products Limited*
Dr T Medinger
*Planning Manager,
 Zeneca Group PLC*
Dr RC Paul CBE
*Chief Executive,
 Albright & Wilson plc
 (to November 1995)*
- AIH Pink**
*Executive Director,
 Zeneca Group PLC
 (from November 1995)*
RS Pitcher
*Site Manager,
 Dow Corning Limited
 (to July 1995)*
ATG Rodgers
*Executive Director,
 Zeneca Group plc
 (to November 1995)*
Dr P R Read
*Chief Executive,
 Hoechst UK Limited
 (from November 1995)*
JF Royle
*Managing Director,
 Hampshire Chemical Limited*
JG Speirs CBE
*Managing Director,
 Norsk Hydro (UK) Ltd*
Mr C Spreafico
*Chairman & Managing Director,
 EniChem Elastomers Ltd
 (from November 1995)*
Dr FP Stefanini
*Sector Managing Director,
 Performance Chemicals,
 Croda International PLC
 (to December 1995)*
BJ Stickings
Managing Director, BASF plc
TM Swan
*Managing Director,
 Thomas Swan & Co Ltd*
ET Thurgur
*Managing Director,
 Synthite Limited*
WO Walker
*Managing Director,
 Du Pont (U.K.) Ltd*
TC Wellington
*Operations Manager,
 Hays Chemical Distribution Ltd
 (from July 1995)*
Dr DJ Wilbraham
*Chief Operating Officer,
 Laporte plc (to March 1996)
 Chief Executive,
 Hickson International PLC
 (from May 1996)*

Companies in Membership

as at 30 June 1996

All member companies have given signatory commitment to the Responsible Care Guiding Principles

* Conforms to hourly and weekly wage rates and conditions negotiated by CIA

* Abbey Chemicals Limited
 Abbot Laboratories Limited
 * AgrEvo UK Ltd
 Air Products PLC
 Anchor Chemical Group PLC
 Akros Chemicals
 * Akzo Nobel Chemicals Limited
 Albion Dyestuffs Ltd
 * Albright & Wilson plc
 * Alcan Chemicals Europe
 Water Treatment
 Allied Colloids Ltd
 Anchor Chemical Group PLC
See Air Products
 AP Chemicals Ltd
See BTP plc,
Process Chemicals Division
 APP Chemicals Limited
See Burmah Castrol
Chemicals Ltd
 ARCO Chemical Europe, Inc.
 Ashland Chemical Limited
 The Associated Octel
 Company Limited
 Palmer Research Laboratories

Baker Performance Chemical
 Manufacturing
 BASF plc
 Baxenden Chemicals Ltd
 * Bayer plc
 BetzDearborn Limited
 * BIP Group Limited
 * William Blythe Limited
 BOC Gases Europe
 Bonar Polymers Ltd
 * Boots Contract Manufacturing
 Borax Europe Limited
 * Borden Chemical (UK) Limited
 * BP Chemicals Limited
 Brent International PLC
 * Bristol-Myers Squibb
 Pharmaceuticals Limited
 Britannia Alloys and
 Chemicals Ltd
 Britannia Zinc Ltd
 British Nuclear Fuels plc
 * British Salt Limited
 Bromine & Chemicals Limited
 + James M Brown Ltd
 BTP plc, Process Chemicals
 Division
 AP Chemicals Ltd
 Hodgson Chemicals Ltd
 Hodgson Specialities Ltd
 Burmah Castrol Chemicals Ltd
 APP Chemicals Limited
 Dussek Campbell Limited
 * Foseco (F.S.) Ltd
 Fosroc Expandite Ltd
 Industrial Adhesives Limited
 Kerax Limited
 Protim Solignum Limited
 Sericol Limited
 * Bush Boake Allen Ltd
 Union Camp Chemicals Ltd

Cabot Carbon Limited
 Chemoxy International plc
 Chemson Ltd
 Chemviron Speciality
 Chemicals Limited
 ChiRex Ltd
 Chirosience Limited
 Ciba-Geigy PLC
 Ciba Grimsby
 Clariant UK Ltd
 Mercury Plastics
 Cleanaway Limited
 Coalite Chemicals
 * Coalite Smokeless Fuels
 Contract Chemicals
 (Knowsley) Limited
 Contract Chemicals (Leeds)
 Limited
 Courtaulds Chemicals
 (Holdings) Limited
 * Cray Valley Limited
 Croda International Plc
 Croda Hydrocarbons Ltd
 Croda Surfactants Ltd
 * Croda Universal Limited
 Crosfield Limited
 Custom Powders Limited
 * CYTEC Industries UK Limited

Degussa Limited
 Dista Products Limited
 Dow Chemical Company
 Limited
 Dow Corning Limited
 DSM United Kingdom Limited
 Du Pont (U.K.) Limited
 Dussek Campbell Limited
See Burmah Castrol
Chemicals Limited
 Dynochem UK Ltd

Eastman Chemical Ectona
 Limited
 Eastman Fine Chemicals
 Electro Furnace Products Ltd
 Elf Atochem UK Ltd
 EniChem Elastomers Ltd
 EniChem UK Ltd
 Ethyl Petroleum Additives
 Limited
 * European Colour (Pigments)
 Limited
 Exchem Industries Ltd
 Exxon Chemical Limited

Fine Organics Limited
See Laporte plc
 Fisher Scientific UK Ltd
 Flexsys Rubber Chemicals Ltd
 FMC Corporation (UK) Limited
 * Foseco (F.S.) Ltd
See Burmah Castrol
Chemicals Ltd
 Fosroc Expandite Ltd
See Burmah Castrol
Chemicals Ltd

* R & J Garroway Ltd
See Laporte plc
 GE Plastics ABS Ltd
 Genzyme Limited
 Genzyme Biochemicals
 Glaxo Wellcome Operations
 W.R. Grace Limited
 * Great Lakes Chemical
 (Europe) Limited
 Great Lakes Fine Chemicals
 Limited
 * Grillo Zinc Oxide (UK) Ltd

Hampshire Chemical Limited
 * Harcross Chemicals UK Limited
 Hays Chemical Distribution Ltd
 Hepworth Minerals and
 Chemicals Ltd
 Hercules Limited
 * Hickson International PLC
 Hickson Manro Limited
 Hodgson Chemicals Ltd
and
 Hodgson Specialities Ltd
See BTP plc Process
Chemicals Division
 Hoechst UK Limited
 Arthur H Cox & Co Limited
 HPG Industrial Coatings
 Limited
 * RV Chemicals Limited
 Spray Shop Supplies Limited
 Holliday Dyes & Chemicals Ltd
 * Holliday Pigments Ltd
 HPG Industrial Coatings Limited
See Hoechst UK Ltd
 Hüls (U.K.) Ltd
 Huntsman Carrington
 Huntsman Corporation UK Ltd
 Hydro Chemicals Limited
 Hydro Polymers Limited

Ilford Limited
 Imperial Chemical Industries
 PLC
 ICI Chemicals & Polymers
 Limited
 Tioxide Group Limited
 Industrial Adhesives Limited
See Burmah Castrol
Chemicals Ltd
 Inspec Group plc
 International Flavours &
 Fragrances, I.F.F.
 (Great Britain) Ltd
 ISP (Great Britain) Co. Limited

Johnson Matthey PLC

Kemira Ince Limited
 Kerax Limited
See Burmah Castrol
Chemicals Ltd
 * Knoll Pharmaceuticals
 Kodak Limited
 Kronospan Limited

Specialist Organic Chemicals Sector Association (SOCSA)

SOCSA participated strongly in the CIA's work and made representations to a wide range of civil servants, ministers, MPs and other trade bodies. SOCSA contributed to the CEFIC paper 'Focus on SMEs in the Chemical Industry', the subject of a workshop with the EC in September 1996.

SOCSA addressed officials from the Bank of England and city analysts on the sector's excellent growth performance and the investment needs of its SME members for sustainable profitability. The Association also urged EPSRC to use SOCSA as a route to chemical industry SMEs. This resulted in the allocation to SOCSA of two CASE studentship awards.

Following the successful benchmarking initiative, 1995/96 has been SOCSA's year for promoting R&D and Innovation stimulated by Technology Foresight and the CIA's Research Priorities exercise. An Innovation Group has been set up and priorities agreed are: applied catalysis, biotechnology and process technology. The main achievements have been participation in the creation of the new Institute of Applied Catalysis (£2 million Government support) and a new applied catalysis LINK scheme (£6 million Government support); SORIS participation on a USA biotechnology mission; and £90,000 DTI support for SORIS to set up a biotechnology information service (BORIS).

SOCSA members were in the majority on overseas trade missions to the Far East, USA and Switzerland. The importance of the UK pharmaceutical industry supply chain to members was illustrated by the large turnout at a SOCSA organised event hosted by Glaxo-Wellcome in November. Thirteen pharma and 40 specialised organics companies discussed markets and intermediates purchasing strategies.

A range of business improvement services was provided for SOCSA members on benchmarking, funding assistance, business promotion and R&D/Innovation. A successful annual forum was held in May with innovation, manufacturing best practice and strategic marketing as the main topics.

Sector groups

The Ammonia Products Group is continuing its work on preparing the guidance for the large scale storage of fully refrigerated anhydrous ammonia in the UK.

The Dyestuffs and the Dyemakers' Users Group have been progressing a wide range of H, S and E subjects, the major ones being the consequence of the German ban on azo-dyes in consumer goods; compliance monitoring of regulations across Europe and textile related issues such as colour in effluent.

The Chlorine Sector Group continued to develop its



communications programme and, in conjunction with Euro Chlor and the British Plastics Federation, made determined efforts to counter the attack on chlorine and PVC by environmental groups.

The Food Additives Industry Association (FAiA) was involved in the implementation of the EC Directives on colours, sweeteners and miscellaneous additives into UK law. As part of their communications programme they have commissioned CIEC to undertake a schools project on food additives, and FAiA will meet major food retailers and appear on radio and TV to get their message across.

The Speciality Biocides Group has concentrated on representations to the European Commission on the proposed biocidal products directive. Restrictions and limitations of the application of the comparative assessment procedure have been negotiated which are viewed by industry as an unnecessary procedure.

As part of the CIA Council's visit to Brussels, the Agricultural Raw Material Users Group was able to present their specific UK perspectives on the operation of the sugar and starch regimes under CAP direct to the European Commission. The UK/EU biochemical industry still cannot buy its agricultural food starches at world prices.

Chlement, the chlorine campaign frog, with Sharon Rendle, 1992 Judo Olympic medallist at the SCM Chemicals open day.

MANAGEMENT OF THE ASSOCIATION *The CIA not only works on behalf of a huge and successful industry, but is also an SME whose clients are its members.*

Organisation and administration

Since joining the Association I have been introducing a number of changes to the way we operate. On page 1 is our mission for our service to members. We have developed from this a set of objectives which are expanded into detailed operational plans for each Director's group, and those plans are reflected in the forward job plan for each member of staff. Our performance depends totally on the quality, expertise and commitment of our staff. I intend to move the Association towards Investors in People status over the next couple of years.

I have reorganised some reporting lines. All our work on H, S and E, including Responsible Care, has been brought together under David Culpin. Our media relations, community relations and communications and EU/UK Government and institutional relations are grouped under a new Director of Public Affairs, Jennifer Jones and our activities in education, training, innovation and intellectual property, have been brought together with employment and social affairs, under Jim Foulds.

On pages 22 and 23 is an organisation chart showing who does what.

Account managers

We now have a system of Account Managers, each responsible for liaison with six to eight member companies. Association staff are beginning to get to know their companies. This programme will help us develop in-depth knowledge about members' businesses, problems and issues, thereby giving substance and colour to the Association's agenda; it will also ensure members have a clear knowledge of our services and that we meet members' requirements within those services.

Dr Elliot Finer
at Zeneca's
Environmental lab
in Brixham, Devon.



IT systems

We are upgrading our computer systems to enhance our internal efficiencies and to help us communicate better with our members.

Benchmarking

We have started a benchmarking exercise with several other large industry associations. We come out well when compared against the 'model trade association' report published by DTI early in 1996.

New members

I am very pleased to welcome Allied Colloids, Boots Contract Manufacturing, Huntsman Carrington, Lundbeck Pharmaceuticals Limited, Montell Carrington, SIKA and SNPE as new members of the Association.

Financial

Refund to members

I am pleased that the Association will be able to make, to all continuing member companies, a cash refund equal to 2.6% of their 1995/96 subscriptions. The refund will be made after the annual accounts have been approved by Council.

Review of subscription formula

Earlier this year James Puckridge, Honorary Treasurer, chaired a review of the subscription base. Council concluded on the basis of this review that it was best to stay with the present formula.

New pension arrangements

From 1 July 1995 the final salary (defined benefit) staff pension scheme was closed to new members. New employees are offered a personal pension (defined contribution scheme).

I hope members are pleased with what the Association achieved for them in 1995-96.

We will do all in our power in 1996-97 to fulfil our mission of helping members to secure sustainable profitability and improve recognition of their contribution to society.

Dr Elliot G Finer

BACKGROUND INFORMATION *We offer information on economic, legislative and political developments, to provide a context for better business decisions.*

Employment Affairs Conference

'Future Dimensions' was the theme for the Employment Affairs Conference in Harrogate, attended by some 250 people. It was acclaimed as the most successful and thought-provoking ever, the main thread being that the motivation, development, encouragement and empowerment of employees was essential to the future of the industry.

One of the novel features was a special forum for young people working in the industry. It attracted some 30 delegates, all under the age of 27, from a wide variety of occupations and companies.

Business Outlook Conference

Held in January, the 11th Business Outlook Conference highlighted 'change and reconstruction in the world chemical industry'. Attended by over 150 delegates, including record numbers from continental Europe, the centrepiece was a presentation by Richard Freeman OBE, ICI's chief corporate economist.

Top right:
ICI's Richard Freeman OBE at the Business Outlook Conference.

Bottom right:
Delegates at the young people's forum at the EA Conference.

Investment Intentions Conference

The Investment Intentions Conference held in May announced the industry's latest UK capital spending

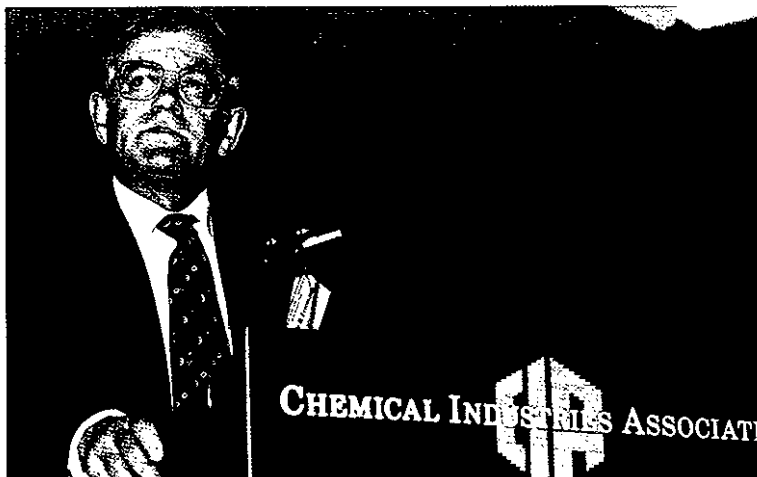
plans on new plant and equipment. The results of the survey showed a rise in capital spending of 2.8 per cent in 1995 - the first real upward change since 1991 - and a forecast rise of 14 per cent in 1996 with a further 2.3 per cent in 1997.

Technology Foresight seminars

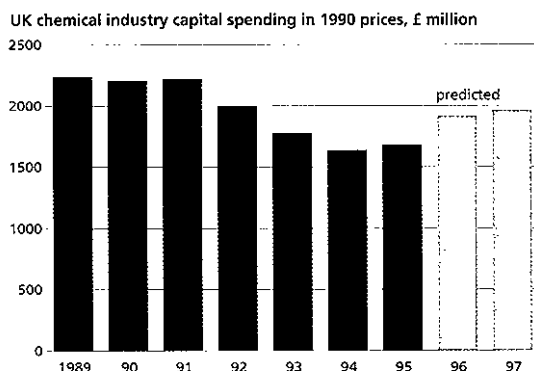
In partnership with the Chemicals Foresight Panel, the RSC and the IChemE, we sought to disseminate the main messages of Foresight to our membership and the academic sector, through regional workshops. These were designed to establish networks and spur collective action to improve performance over a range of key technology areas. Successful events were held in the North East, North West, Northern Ireland and Scotland, and more are still being planned for the South West and Eastern Regions. Already there have been positive results: for example, a vibrant, new inorganics network which arose from the North West event.

Business Brief and Newsline

The introduction of the new, monthly *Business Brief* in Autumn 1995, which separated the business and issues information from the general news in the old *Newsline*, was well received.



Above:
Investment analyst, David Ingles of James Capel and Geraldine Alliston, Director, Chemicals, Chemicals and Biotechnology Division of the DTI, at the Business Outlook Conference.



WORKING TOGETHER *All our work depends crucially on inputs from members. Members benefit not only from the results but also from the process, which provides valuable networking opportunities.*

Regional Committees and Scotland

The North West Regional Committee's annual lecture maintained its high standard, with Lord Melchett as the guest speaker, at the UMIST Conference Centre in October. A 'Regulator's Review' seminar held at BASF in Cheadle in April was a sell out.

The South West Regional Committee continued to strengthen and held a valuable meeting at the Technquest Science Centre in Cardiff in January. The same month the Committee held a productive meeting in South Wales with Wayne David, a local MEP and leader of the Labour Party in the Parliament.

The London and South East Regional Committee's annual parliamentary lunch in February had the highest response recorded with 33 MPs attending.

In Scotland topics covered included rates, water and the proposed constitutional changes, and the Scottish Committee held a well-attended parliamentary lunch (involving a Minister and most of the Shadow front-bench team) in London where these and other issues were discussed. The North East Region has run several well supported practical seminars.

Annual dinner

We had the highest attendance ever for this main Association platform for contact with opinion formers. We also had an excellent speech from our principal guest, Sir Leon Brittan.



President Dr Robin Paul CBE, John Cowan, Chairman of the Scottish Committee and (centre) Dr Tom Johnston, President of The Royal Society of Edinburgh at the RSE.



Above: Industry, the City and the technical press converged on the annual dinner. This group included Peter Stefanini, Pat Layman and Jeremy Chantry and (left) Principal guest Sir Leon Brittan, with Hugo Lever, Director General of CEFIC (centre).



RESPONSIBLE CARE *Member companies continued their active involvement in the Responsible Care programme. Our Indicators of Performance show that while we continue to improve our H, S and E performance and how effectively we inform people about that, there remain big differences between the best and the worst.*

Workshops on Product Stewardship and on 'Responsible Energy' were well supported. The Association organised a workshop for Responsible Care Cells (which continue to work actively) at which safety experts from members provided guidance on best practice in the form of a 'safety toolkit'

CIA launched its revised CHEMSAFE Scheme in March. This sets out clear performance standards and provides improved guidance at the three levels of emergency response to chemical distribution incidents: provision of information by companies on their products; advice at the incident scene; and the provision of practical assistance. More significantly, it enhances the effective partnership already established with the emergency services and

recognises the importance of involving contract hauliers and chemical waste disposal companies.

Following publication of CIA's influential guidance document on *Responsible Care Management Systems for Health, Safety and Environment*, we were pleased to see that the BSI's new guideline standard for occupational health and safety management conforms to our urging that it should be capable of integration with the international standard for environmental management systems. The guidance has also generated a Responsible Care self-assessment process which is being piloted across a range of member companies.

CIA's new award for Responsible Care, developed in liaison with *The Chemical Engineer*, was won by ICI Polyurethanes and attracted positive publicity around the presentation in Birmingham in April.

Right:
The team from ICI Polyurethanes, Shepton Mallet – winners of the first Responsible Care Award.



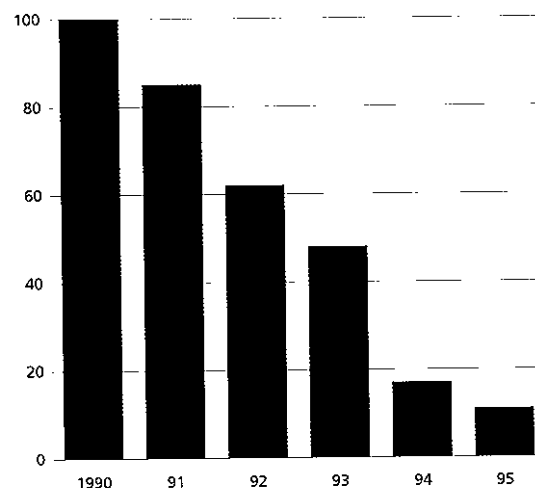
Below:
(L-R) Prof John Holloway, Leicester University, John Speirs CBE, Chairman of PAC, science writer Nina Hall and Dr John Emsley *The Independent* columnist at SET 96 Foresight day at the DTI.

The annual *Indicators of Performance* survey, published in June, confirmed a continuing improvement in the industry's health, safety and environmental performance. A record 97% of member company manufacturing sites participated. Of particular note is the fact that the discharge of Red List substances – those of particular concern if they enter water courses or sewers – is now down to about 1/10th of its level in 1990. Safety performance has, however, plateaued and we are considering how to deliver further improvement.

The partnership with the industry's distributors, through the BCDTA, continues to generate a benefit by covering a greater part of the product supply chain than we could reach otherwise.



Trend in Red List discharges (based on matched samples)



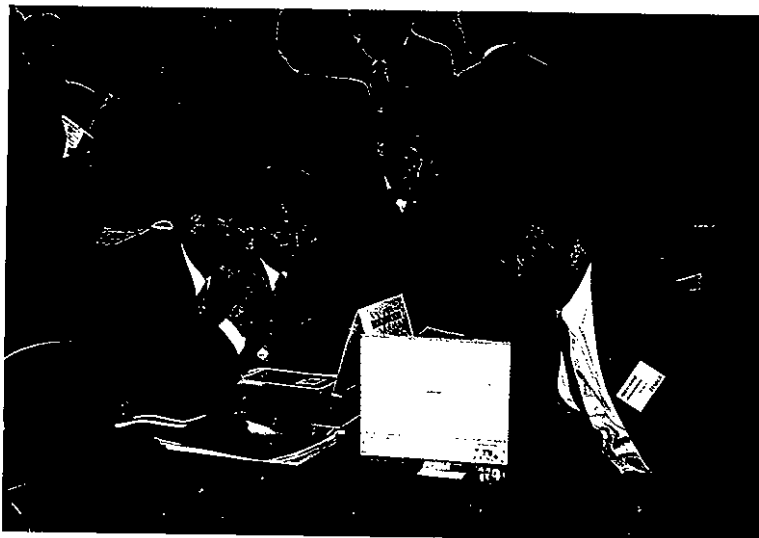
SERVICES AND ADVICE *We provide members with a range of tailored and specific services, and with expert advice on regulatory, employment, training, market and other issues.*

Export challenge

The CIA was one of the fifteen winners of the Government's 'export challenge' competition in February 1996. Our proposal involves setting up the *CIA Directory of Products and Buyers Guide* on the Internet. To be launched in January 1997, this will provide a real step forward in communication to potential customers around the world.

Business promotion visits

This has been one of the Association's busiest years of international business promotion, involving Switzerland, the USA, Japan, South Korea, India and Russia. The common theme for all these promotions, and the central strategic thrust of all our activity in this field, is to open doors to business opportunities in difficult markets. The success of this approach is illustrated by the fact that the UK team returning home from Japan was able to demonstrate some £6 million worth of new business attributable to that mission.



Multi-media promotion at Japanese chemical company.

Employee relations

Topics covered have included advice and information on pay and conditions, new employment legislation; research reports from the Employee Relations Committee; support for company negotiations (briefings and advice); networks on European Works Councils; international personnel practice; and equal opportunities. We also carried out surveys on pay and conditions (as well as the annual survey, there was an ad hoc survey on shift working arrangements), and continued to support the Local Employment Affairs Network.

Direct Training Service

Direct Training Service has performed well in a very tight market and has provided training not only for members but also internally for CIA staff and, externally, for DTI staff.

National Vocational Qualifications

The industry is now progressing rapidly in making use of National Vocational Qualifications. The number of centres and of candidates have both more than doubled during the year and publication sales have continued at a high level, nationally and internationally. The Industry Awarding Body has been established as a separate company, with charitable status.

CIA staff member James Holyfield co-authored a book on the use of standards and NVQs/SVQs which is selling well.

Modern Apprenticeships

The chemical scheme has been approved for use in Scotland; CIA gained financial aid to market the Scottish Modern Apprenticeship scheme and to carry out research into its wider applications to training adults generally. On 1 September there were 18 approved schemes with around 300 trainees, and a further six schemes due to be implemented in September 1996.

Future national arrangements

The government is consulting widely on its proposal to replace all existing industry training organisations and lead bodies by a smaller number of National Training Organisations (NTOs). The Association is seeking NTO status.

One consequence of this change will be access to Government funding for training on a continuous basis rather than via piecemeal awards for specific projects.

Specialised Organics Information Service (SORIS)

SORIS handled over 550 significant requests for assistance - an increase of 10% over the previous year. It provided a monthly newsletter and organised two seminars, the more successful of which explained the Internet in simple language and stimulated attendees to use it.

The mission to the USA in October 1995 showed the need of biotech companies for a range of support services along the product development chain.

Support for members' open days

We provided moral, material and organisational support for members' own open day initiatives along with specific help and advice to members.

Parliamentary and EU information/issues database

There was a steady flow of requests by member companies for parliamentary and European information from the Association during the year which as ever we were readily able to meet. A number of companies also subscribed to the Association's issues database.

1995. We are now working to a defined process and timetable to bring the review to a conclusion.

The National Development Committee, through the formation of a sub-group, assumed responsibility for our joint work with the trade unions on equal opportunities. Our national joint consultative committees covering training, education, health and safety and economics continued to contribute to a healthy relationship with the unions.

Health, safety and the environment

The report of the 1995 chemical sector dialogue with Government on long term environmental developments was published, and the Association is actively involved in follow-up actions on voluntary agreements and the public perception of environmental risk. The dialogue was scheduled to be resumed in the Autumn of 1996.

The new environment agencies - the Environment Agency for England and Wales and the Scottish Environment Protection Agency - were established on 1 April 1996. The CIA, through its Environment Advisory Group and Scottish Committee, has established high level contacts with the new agencies at policy and regional levels. Seven CIA nominees have been appointed to Regional Environment Protection Advisory committees.

As a result of sustained representations to the pollution inspectorate, the Association was instrumental in securing a more practical, less onerous and less costly process for the assessment of Best Practicable Environmental Option (BPEO). A workshop for member companies to explain the agreed approach was held in mid-1996 and was so over-subscribed that a second workshop was required later in the year. Representations by the Association on the National Waste Classification Scheme and the landfill tax resulted in key wastes being included in the lower tax band of £2 per tonne rather than the standard tax band of £7 per tonne, thereby saving the industry up to £5 million per year.

We worked with the Department of the Environment to maintain the political agreement reached on the Integrated Pollution Prevention and Control proposal, and encouraged UK MEPs to vote against hostile amendments in the European Parliament.

The Association maintained its programme of work on occupational exposure limits, influencing the adoption of effective procedures for consultation on proposed new limits and providing guidance to members on responding to such consultations. We have also been actively engaged in responding to European proposals for a Chemical Agents Directive and a first amendment to the Carcinogens Directive. The Association has established a task force on Air Quality Standards to monitor the DoE's proposals on standards for the UK National Air Quality Strategy and similar legislation being developed by the EU.

The field of chemical control legislation has

continued to be a major area of activity. We worked with members of the All Party Parliamentary Group and others as the Chemical Weapons Bill passed through Parliament. The Association worked with the Preparatory Commission for the UN Chemical Weapons Convention to ensure that the scope of the Convention was acceptable to industry and that commercially sensitive information was safeguarded; we are now co-operating with the new National Authority in preparation for the necessary declarations and inspections. Working with DTI, we have been successful in getting recognition by the regulatory authorities that the notification requirements for new substances are severely hampering innovation, and are now seeking to secure a more pragmatic approach to applying the regulations.



On distribution issues, the Association secured government recognition that packaging used for the carriage of dangerous goods has to be treated differently from retail packaging and may not be suitable for recycling; we will continue to monitor the development of UK regulations to implement the European Directive on Packaging and Packaging Waste, and make representations as necessary to safeguard the interests of members as packaging users. In response to criticism of the chemical industry relating to problems with the marine carriage of packaged dangerous goods, the CIA embarked on a co-operative effort with other trade associations to prepare guidance for those involved in the distribution chain.

We followed closely the progress of the European Directive on the Control of Major Accident Hazards, and made representations to the Health and Safety Executive and UK MEPs to ensure that the final text was acceptable to the industry.

Research and innovation

Foresight

Throughout the past year, our Science, Education and Technology Committee (SETCOM) placed a high priority on taking forward the Technology Foresight Programme

A particular highlight was the success which the chemical industry achieved in the Foresight Challenge. Among a number of proposals which offer potential benefits for chemical companies,

Community relations manager, Linda MacLeod hosting the NE Area Development Committee visit to BP Chemicals, Hull.

Director General's report

Government strongly supported the proposal to establish a new Institute of Applied Catalysis. This was the first recommendation of the Chemicals Foresight Panel, and it was also put forward as a major priority in the CIA's own report on research priorities published last year.

Another strand of the Association's work was the continuing effort to ensure that public expenditure on research, through the Research Councils, supported the chemical industry's needs. The relationship between the CIA and the Research Councils (primarily the EPSRC and BBSRC) has never been stronger or more productive. This year we have seen significant increases in the budgets to support chemistry research in universities, and a greater degree of cohesion between industrial priorities and leading-edge academic research.

Patents

This year the Patents Panel led the industry's representation to oppose the establishment of a market share criterion in the new Technology Transfer Regulation. The Panel also took a leading role in Europe to ensure that the Commission proposal to establish blanket rules for second tier patent protection did not put the chemical industry at a disadvantage. Recent reports from Commission officials have suggested that this work has been successful, with chemical products and processes likely to receive exemption from the new proposals when they emerge.

Another positive development this year was the confirmation that plant protection products can receive supplementary patent protection, currently only available to pharmaceutical products, to ensure that patent life-time is not compromised by lengthy regulatory delays before marketing approval. The new law will take effect early in 1997.

The Panel continues to work with CEFIC, EFPIA, UNICE and other industry bodies, to ensure that we achieve a workable and positive Directive for the Legal Protection of Biotechnological Inventions.

Business economics

Representations in the Business Economics area focused upon the supply and cost of utilities. Our sustained arguments against the fossil fuel levy eventually bore fruit with the announcement in June 1996 that it was due to be reduced from 10% to 3.7% in the Autumn. This should have a direct impact on the electricity bills of all our member companies. We continue to argue for complete abolition of the levy. Gas and water issues, as well as electricity, have all been covered in a series of meetings with their respective regulators, amplifying our responses to consultations affecting structural change and price competition. In particular, we fought hard to win recognition of industrial consumers' interests by OFGAS in the Network Code and in the review of the transportation prices of British Gas.

In our work through CEFIC on competition policy, we



argued for an extension of the 'one stop shop' approach to merger control at European level.

Employment legislation

Representation on social affairs and new employment legislation is a growing area of work and we have developed industry positions on several important legislative developments and employment policy issues. Examples include the Disability Discrimination Act, Balancing Work and Family Life, the EU Working Time Directive and Labour's proposals for a National Minimum Wage. The Employment Affairs Board visited Brussels and met both Commissioner Flynn and the Director General of DG V, Allan Larsson, together with many members of DG V.

We were invited to chair both the CBI's Sector Employment Issues Panel and its European Employers' Social Affairs Group.

Education and training

Major inputs were made to the debate on the school curriculum. Association representatives chaired working parties at the Chemical Education Group on qualifications for people aged 16-19 and on primary education. Sir Ron Dearing visited our Modern Apprenticeship scheme in Merseyside and had meetings with the Association during his curriculum review. We supported the CEFIC/SCI work on Science and the Young and the new European Science Museums Project.

Through a significant donation to the Charitable Trust, the Association assured the core funding for the Chemical Industry Education Centre, our joint venture with the University of York. The centre continues to excel in its support for the better teaching and understanding of science in primary and secondary schools.

The new CIA Education Policy Forum has been established, to ensure full coordination of all our extensive work in the education field.

Employment Affairs Board Chairman, Tom McIntyre with Miranda Maplettoft, manager of CIEC at the Employment Affairs Conference.

REPRESENTATIONAL WORK *We represent the industry on broad issues at the highest political levels; in detailed negotiations on specific regulations; and in programmes to improve recognition of the contribution the industry makes to society. Where appropriate we work with European and international opposite numbers, and with allied industry associations.*

The industry's reputation

The public reputation of the chemical industry remains poor. Our MORI survey conducted in Autumn 1995 showed that just one in five of the public have a favourable overall opinion of the industry. The predominant reasons for dissatisfaction remain the industry's perceived environmental performance and the public's general lack of trust in us.

There were however sources of encouragement in the survey, with a distinct increase recorded in people's exposure to information from the industry, coupled with an improvement in our credibility among our target audiences - particularly in education.

Young Person of the Year Award winner
Kate Mills of Pfizer.



The industry has many positive truths to project about itself, as well as misconceptions to correct. We have to continue to promote the industry and its benefits if we are going to change public perception.

Dr Robin Paul CBE, in his President's report (page 2), has referred to the message he wishes to communicate during his Presidency. We embarked on a strategy to advance this message with the aim of creating a national debate to highlight the critical and positive role that chemicals play in our quality of living.

Our overall strategy is based on careful research and an honest appraisal of what we can achieve. We have two messages, and three target audiences. The messages are that we make a valuable contribution to society, both in what we produce and in the wealth we create; and that we make and sell our products in a caring and responsible way. The targets are people who influence policy; the world of education; and companies' own workforces and local communities. By incorporating the messages into existing programmes and creating new platforms we aim to increase awareness significantly amongst our target audiences.

Young Person of the Year Award

This year's Young Person of the Year Award ceremony was said to be the best yet. Kate Mills of Pfizer won the 1996 title, presented by science and astronomy broadcaster and writer Heather Couper. Outgoing national winner, Brian Friel (Flexsys, then Croda) acquitted himself with distinction, especially at the Young People's Forum at the Employment Affairs Conference and at the All Party Parliamentary Group for the Chemical Industry.

Speak Out! and Listen

We achieved the highest number of Speak Out! and Listen talks (c700) and the highest level of participation and commitment by member companies. Over 3,000 talks have now been given since the programme started.

Media

We made continued progress in increasing media coverage and widening its base, particularly in the reporting of economic information and positions on policy issues. Steps have also been taken to increase reporting in the regional media - an activity expressly requested by the regions.

The highest profile issue was the possible impact on reproductive health of man-made chemicals (endocrine modulators or oestrogen mimics). Reports by the Institute for Environment and Health and the Medical Research Council's Reproductive Biology Unit, the BBC TV Horizon programme, the American book 'Our Stolen Future' and the baby milk scare put the spotlight on the issue. The Association dealt with many media queries, co-ordinated the activities of the relevant allied associations and provided industry input to UK government departments and research establishments. CEFIC formally established an Endocrine Modulators Steering Group to co-ordinate industry action across Europe, liaise with the industry in North America and establish programmes for communication and research.

Visiting Fellowship

Benefits from the CIA's sponsorship of Helen Sharman as Visiting Fellow at The Royal Institution of Great Britain include initiation of a contacts network, opening of Catalyst 'Chemicals for Life' gallery, presentation of Salters' Chemistry Club National Award, co-hosting the 'Chlorine breakfast' at the Dorchester and addressing the All-Party Parliamentary Group, resulting in a favourable mention in the Lords' Hansard. She also had extensive media exposure including frequent TV appearances, hosting the John Dunn show (BBC Radio 2) and a Catalyst photo in colour in *The Times*. She publicly endorsed our Modern Apprenticeship schemes.

Director General's report



When I joined the Association on 1 January I found four tremendous assets on which to build: the dedicated and high quality staff, a fund of information about the industry and its challenges, superb support from talented people in our member companies and the high reputation of the Association. I set myself and my staff the long-term aim of making the CIA, in the opinion of its members, the best industry association in the UK and the best chemical industry association in the world.

This is a period when members need influential and effective industry associations more than ever. Changes within companies include devolution of responsibility to operating sites, flatter structures and downsizing, and these factors often reduce companies' ability to maintain in-house expertise to analyse and represent their interests on complex issues. Meanwhile, external developments have led to more pressure - there is more EU legislation, a growing move to international legislation, greater public pressure on environmental issues and lower esteem for science, technology and industry. Against that background, my colleagues and I have the mission of helping members to secure sustainable profitability and improve recognition of their contribution to society.

In this report I give an overview of what we have done for our members over the past year with a section at the end on the management of the Association.



Elliot Finer

Director General

September 1996

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Annual Report and Accounts 1996

