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MEMORANDUM

TO: Green Ribbon Science Panel Members

FROM: Maziar Movassaghi 
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DATE: September 30, 2009

SUBJECT: PUBLIC-PRIVATE PARTNERSHIPS TO FURTHER THE GOALS OF THE
GREEN CHEMISTRY INITIATIVE

The Department of Toxic Substances Control (DTSC) is moving forward to implement the six recommendations from the California Green Chemistry Initiative. I am pleased that you are willing to share your expertise and advice with the people of California. Your help will be particularly important as we draft proposed regulations for safer alternatives to chemicals of concern in consumer products.

One challenge that transcends these six policy areas is the development and application of an entirely new framework for rethinking and redesigning the materials, processes, and products that are a part of our society. People, businesses, and governments worldwide are grappling with the meaning and application of concepts such as "sustainability," "green chemistry," and "cradle to cradle." We have an opportunity to frame these discussions and move toward general agreement on terms, criteria, and protocols. Regulations are a critical part of the solution. However, private-sector actions will be equally important, if not more so. Public-private partnerships also offer significant opportunities to advance green chemistry. I believe this will be crucial for the success not only of California's regulations, but also the multitude of "green" and "sustainable" products and practices that are evolving globally.

I seek your advice regarding (1) the appropriate functions a public-private partnership should perform; (2) how such partnerships may be established and supported; (3) what

safeguards may be necessary to ensure broad credibility of such partnerships; and (4) how performance would be measured. The *Final Report for the California Green Chemistry Initiative* (Final Report) ¹ outlined one possible partnership, a non-governmental consensus standards organization described as the "California Green Products Registry."² However, there are other successful models from which we can draw. And, I envision multiple partnerships could be established in California to advance Green Chemistry goals in California. Therefore, I appreciate having a discussion about the opportunities for public-private partnerships to implement the recommendations of the Final Report, along with general guidelines for many, if not all, public-private partnerships.

I. Background

With the advent of new green chemistry and green engineering processes and materials, California can be at the forefront in transitioning to a cradle-to-cradle economy that manufactures and uses consumer products that are "benign by design." The interconnected global marketplace is increasing demand for cleaner, greener, and more sustainable goods and products. At the same time, people and businesses are expressing concerns about the safety and effects of the products they use and discard.

Governor Schwarzenegger recognized these opportunities. He signed in 2005 the nation's first law requiring disclosure of chemical ingredients in cosmetics. In September 2006, he signed a law creating a landmark biomonitoring program that is measuring and cataloguing human exposure to chemicals. In September 2007, the governor called for the establishment of a "Green Chemistry Initiative" to develop policy options for advancing this new approach in California. The initiative set forth six broad policy recommendations:

- Broadening pollution prevention and reducing toxic chemical use;
- Building knowledge and research capacity for a greener California;
- Disclosing chemical ingredients in products sold in the state;
- Creating an online clearinghouse of information about chemical toxicity;
- Accelerating the transition to more sustainable, safer products; and,
- Moving toward a "cradle to cradle" economy by 2050.

In September 2008, Governor Schwarzenegger signed new laws enacting two of these recommendations. DTSC is now drafting proposed regulations that will require

¹ http://www.dtsc.ca.gov/PollutionPrevention/GreenChemistryInitiative/upload/GREEN_Chem.pdf

² The California Green Products Registry was modeled after the California Climate Action Registry (CCAR). CCAR was of vital assistance in the implementation of California GHG programs. An overview and annual budget are attached for reference.

manufacturers to identify and prioritize chemicals of concern in the consumer products which they make for sale or use in California and to evaluate safer alternatives. DTSC, along with the Office of Environmental Health Hazard Assessment, is also establishing the online Toxics Information Clearinghouse. This portal will make hazard and toxicity information about chemicals accessible.

II. Potential Functions of a Public-Private Partnership

Through collaboration and partnership with business, industry, health, environmental, community, and philanthropic organizations, California could drive innovation and help spur the California economy. Some of the possible functions of a public-private partnership might include:

- (a) developing criteria, methodologies, and tools for alternatives assessment of consumer products;
- (b) creating and standardizing procedures, protocols, and standards for calculating, measuring, reporting, monitoring, and verifying "green" or "sustainable" consumer products;
- (c) assisting users in applying Green Chemistry principles in specific sectors, markets, or learning institutions;
- (d) gathering and reporting information on Green Chemistry trends across industry sectors;
- (e) facilitating and supporting actions to reduce the environmental and health effects of consumer products;
- (f) developing education and outreach materials for teaching or for consumers;
- (g) establishing third party assessor programs (to verify or certify practices or claims); or
- (h) creating and managing Green Chemistry information portals (for chemicals, for hazards, for ingredients, for best practices, etc.); and
- (i) creating an incentive structure that leverages market and/or industry forces to facilitate and encourage innovation;

III. Structure and Membership

For public-private partnerships to succeed, it is imperative that they be a collaboration and partnership with industry, health, environmental, community, and philanthropic organizations, and state and local governments. However, such public-private partnerships should not be housed within any existing governmental or non-governmental organization.

IV. Funding and Resources

A public-private partnership could be initially established with “seed” money via grants or charitable endowments. These partnerships could fund their on-going operations from assessments to its membership, tax-exempt contributions, and grants. Manufacturers and materials and chemical suppliers may collaborate to develop and apply tools, protocols, and processes for lifecycle alternatives assessment of consumer products. Retailers could work with their suppliers and supply networks to inventory products, assess lifecycle factors, establish baselines, set targets, and measure performance. State government costs to participate in program development, to help start-up the organization, and to monitor performance periodically might be supported by special fund revenues.

V. Questions

- 1. What are the opportunities for and functions of a public-private partnership to advance the goals of the Green Chemistry Initiative?*
- 2. What should be the structure and membership for these public-private partnerships? What are the appropriate safeguards to ensure the credibility and viability of such partnerships?*
- 3. What are the appropriate funding mechanisms for these public-private partnerships?*

I welcome your thoughts and advice on these questions about public-private partnerships. While the agenda for our October 14, 2009, meeting is rather full, I will introduce this topic and invite a more full discussion at a future Green Ribbon Science Panel meeting.