



**GUIDANCE
FOR QUALIFYING
CUSTOMERS PURCHASING
HIGH RISK SECURITY
CHEMICALS**

AIGA 091/21

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Asia Industrial Gases Association

N0 2 Venture Drive, #22-28 Vision Exchange, Singapore 608526

Tel: +65 67055642 Fax: +65 68633379

Internet: <http://www.asiaiga.org> | LinkedIn Profile: <https://www.linkedin.com/company/asiaigaorg>



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Acknowledgement

This document is adopted from the European Industrial Gases Association document 920/21 – Guidelines for qualifying customers purchasing compressed gases. Thanks and acknowledgement are hereby given to EIGA for permission granted for the use of their document.

Table of Contents

1	Introduction	1
2	Scope and purpose	1
2.1	Scope	1
2.2	Purpose	1
3	<u>Definitions</u>	1
3.1	Publication terminology	1
3.2	Technical definitions	2
4	Qualification criteria for customers wishing to purchase <u>High Risk Security Chemicals</u>	2
4.1	General	2
4.2	Determining if a customer is legitimate.....	3
4.3	Determining if product use is legitimate.....	3
4.4	Determining if product is held in secure manner at the customer's site	4
4.5	Customer security responsibilities	4
5	References.....	4
	Appendix A – Example of a general customer qualification checklist.....	5
	Appendix B – Examples of HRSCs and classification	6

Amendments to 091/14

Section	Change
	Editorial to align style with IHC associations
	Replacement of Chemical or Concern (COC) with High Risk Security Chemical (HRSC)
1	Update to align with CGA P-52
2	Include guidelines for qualifying customers
4	Clarification and additional requirements for qualification of customers
Appendix B	Complete re-write provided for guidance in classifying HRSCs

NOTE Technical changes from the previous edition are underlined

1 Introduction

National authorities in Asia region authorities are concerned about the illegal use of hazardous chemicals, including industrial gases. Industrial gas products can be misused for illicit activity such as:

- explosive agents;
- illegal inhalation;
- precursors for illegal drug production;
- weapons; and
- suicide.

Whilst this publication has not been harmonised with other gas associations it is based on the European Industrial Gas Association (EIGA) standard 920/21, *Security Standard for Qualifying Customers Purchasing Compressed Gases* and AIGA thanks EIGA for permission to reproduce parts of doc 920/21 in this publication [1].¹

2 Scope and purpose

2.1 Scope

This publication provides guidelines for qualifying customers purchasing industrial gas products considered at risk for illegal use.

In addition to the chemicals and industrial gases that are of concern for illicit use there are legal requirements to control the sale of environmentally harmful products. Some companies may wish to use the same control procedures for all these chemicals and industrial gases.

When there are national requirements regarding the sale of hazardous chemicals, including industrial gas, these shall be followed. If requirements of this publication are more stringent they should be complied with.

2.2 Purpose

The purpose of this publication is to provide guidelines for qualifying customers purchasing industrial gas products that are at risk of being used illegally.

3 Definitions

For the purpose of this publication, the following definitions apply.

3.1 Publication terminology

3.1.1 Shall

Indicates that the procedure is mandatory. It is used wherever the criterion for conformance to specific recommendations allows no deviation.

3.1.2 Should

Indicates that a procedure is recommended.

¹ References are shown by bracketed numbers and are listed in order of appearance in the reference section.

3.1.3 May

Indicates that the procedure is optional.

3.1.4 Will

Is used only to indicate the future, not a degree of requirement.

3.1.5 Can

Indicates a possibility or ability.

3.2 Technical definitions

3.2.1 High risk security chemical

Products or feedstocks that require extra protection due to the risks to employees, customers, and the public in the event of release, theft / diversion, or sabotage.

3.2.2 Qualified customer

A customer who has been reviewed and approved to purchase a high risk security chemical (HRSC).

4 Qualification criteria for customers wishing to purchase High Risk Security Chemicals

4.1 General

Companies that produce, store, transport, and sell HRSCs, have a duty of care to provide an enhanced level of security covering those activities. In addition to the threat from intentional weaponisation and misuse of HRSCs, we must guard against the possibility of opportunistic thieves stealing HRSCs without realizing their hazardous properties and therefore potentially putting themselves and others at risk.

Member companies shall develop a process to:

- identify HRSCs;
- qualify customers to purchase HRSCs; and
- provide additional appropriate protective measures.

An example of a customer qualification checklist is given in Appendix A. Examples of HRSCs and their possible classification is given in Appendix B.

Customer qualification should be performed:

- when a new customer places an order for an HRSC;
- when an existing customer orders an HRSC for the first time or significantly increases the amount purchased relative to previous purchases; and
- as a requalification process due to an incident involving HRSCs.

Existing customers should be reviewed periodically to ensure continued qualification.

The following factors should be considered when qualifying customers:

- Is the customer legitimate?
- Is the product use legitimate?

- Is the product held in a secure manner at the customer's site?

HRSCs shall not be sold to customers that do not meet the qualification criteria listed in 4.2, 4.3, and 4.4. If it cannot be determined that a customer is legitimate, the product use is legitimate, and the product is properly secured at the customer's site, a supplier shall perform further evaluation of that customer or deny the sale. Further evaluation may include a site visit by the supplier's personnel with relevant knowledge and experience.

Personnel involved in processing requests of HRSCs shall be trained so that they understand the requirements of this publication and any legal requirements covering the supply of HRSCs in the relevant geography.

4.2 Determining if a customer is legitimate

The following factors should be considered when determining if a customer is legitimate:

- Is the customer an established business with a legitimate billing and shipping address?
- Is the customer listed with a business accreditation agency?
- Does the customer have an employer / business identification number?

NOTE Governments and international bodies issue lists of organisations that have links to terrorism and illegal trade that should be referred to as part of the qualification process.

The customer's shipping / delivery address should not be a port, a foreign trade zone, or the address of a forwarding agent (a party other than the 'bill to' customer). The customer's shipping / delivery address should not be a private residence.

Walk-in sales, cash sales, or pick-up in unmarked commercial or private vehicles should be discouraged or prohibited. It is recommended that high risk products should not be sold directly over the internet to non-approved customers.

4.3 Determining if product use is legitimate

Prior to supplying HRSCs, suppliers should consider establishing where the product will be used and stored taking into account the following factors:

- The application of the product, for example is it an application the supplier is familiar with?
- Is the quantity of product requested in line with what would be expected for that application?

If the HRSC is not used for a known application, the application should be evaluated by the supplier's technical personnel to determine whether the product use is appropriate.

Indicators of suspicious orders or enquires can include:

- any large increase in a customer's usage pattern (should be investigated);
- order / enquiry from person / company with no apparent use for the chemical;
- specification of use for which the chemical is unsuitable;
- lack of familiarity with the chemical;
- enquiry / order from person/company with no relevant business record;
- request for packaging/labelling not in accordance with the normal commercial practice;

- request for a chemical where the end user is unknown and evasive answers are given to questions;
- request for delivery via strange or dubious route;
- collection of goods in private vehicle; and
- payment in cash.

4.4 Determining if product is held in secure manner at the customer's site

Follow company Standard Operating Procedures (SOP) to determine customer capability to secure high risk security chemicals.

4.5 Customer security responsibilities

The supplier should inform the customer that an individual should have direct responsibility for ensuring the security of HRSCs on their site. This individual should be aware of the number, location, and content of all containers housing HRSCs and should have the supplier's customer service representative's name and phone number readily available.

The customer is ultimately responsible for establishing their own policies and practices for managing HRSC risk to their own staff, and any third parties. They are also responsible for ensuring their own staff complies with their own policies and practices.

It is the customer's responsibility to report any loss, theft, or suspicious activity related to HRSCs to their supplier and to local police or law enforcement as required.

Companies can implement customer qualification in various ways including:

- developing company procedures;
- conducting customer education;
- completing checklists;
- performing site visits;
- performing phone screening; and
- completing questionnaires.

Appendix A contains an example of a customer qualification checklist that can be used when qualifying customers purchasing industrial gases.

5 References

[1] EIGA 920, Security Standard for Qualifying Customers Purchasing Compressed Gases, European Industrial Gases Association, www.eiga.eu

Appendix A – Example of a general customer qualification checklist

The questions in the general customer qualification checklist are examples of the types of questions that may be asked when qualifying customers.

NOTE If the supplier is not satisfied with the customer's answer to a question, further investigation is recommended.

Business information	Yes	No
1. Do you have an employer/business identification number?	<input type="checkbox"/>	<input type="checkbox"/>
2. Are you registered with a business accreditation agency?	<input type="checkbox"/>	<input type="checkbox"/>
3. Delivery information:		
a. Is this a private residence?	<input type="checkbox"/>	<input type="checkbox"/>
b. Is this a port or foreign trade zone?	<input type="checkbox"/>	<input type="checkbox"/>
c. Is this a forwarding agent?	<input type="checkbox"/>	<input type="checkbox"/>
d. Is this a legitimate business address?	<input type="checkbox"/>	<input type="checkbox"/>
Legitimate use	Yes	No
1. Is this a known application for the product?	<input type="checkbox"/>	<input type="checkbox"/>
2. Is the application appropriate to the product?	<input type="checkbox"/>	<input type="checkbox"/>
3. Is the quantity appropriate for the intended use?	<input type="checkbox"/>	<input type="checkbox"/>
General information	Yes	No
1. Is your business location zoned industrial?	<input type="checkbox"/>	<input type="checkbox"/>
2. Do you have the required permit for the product being purchased if applicable?	<input type="checkbox"/>	<input type="checkbox"/>
3. Have you notified the local fire departments, hospitals, and other emergency services of the products you use at your facility?	<input type="checkbox"/>	<input type="checkbox"/>
4. Are you in compliance with all federal/National, state, and local regulations pertaining to the storage and use of the chemicals used?	<input type="checkbox"/>	<input type="checkbox"/>
5. Do you have a security plan in place?	<input type="checkbox"/>	<input type="checkbox"/>
6. Do you have an inventory management system?	<input type="checkbox"/>	<input type="checkbox"/>
7. Do you understand the need for additional security requirements for the product being purchased?	<input type="checkbox"/>	<input type="checkbox"/>
8. Do you have an individual that is responsible for the security of the product being purchased?	<input type="checkbox"/>	<input type="checkbox"/>
9. Do you have a security incident reporting system?	<input type="checkbox"/>	<input type="checkbox"/>
Storage	Yes	No
1. Are your <u>high risk security chemicals</u> stored in a secure area?	<input type="checkbox"/>	<input type="checkbox"/>
2. Do you control access to the <u>high risk security chemicals</u> ?	<input type="checkbox"/>	<input type="checkbox"/>
3. Do you have an intrusion monitoring system?	<input type="checkbox"/>	<input type="checkbox"/>

Appendix B – Examples of HRSCs and classification

Explosives

Any amount of explosive material may be considered an HRSC.

Explosives	
Example	Ammonium Nitrate

Toxics

Any quantity of a pure chemical or mixture with an inhalation toxicity (LC₅₀) of less than 5000 parts per million (ppm) may be considered an HRSC. Toxic HRSCs can be further classified according to the degree of toxicity as follows:

	Toxic A	Toxic B	Toxic C	Toxic D
Concentration Range	LC ₅₀ less than or equal to 200 ppm	LC ₅₀ greater than 200 ppm and less than or equal to 1000 ppm	LC ₅₀ greater than 1000 ppm and less than or equal to 3000 ppm	LC ₅₀ greater than 3000 ppm or less than or equal to 5000 ppm
Common Examples	Arsine, Diborane, Fluorine, Hydrogen Selenide, Nitric Oxide, Nitrogen Dioxide, Phosphine	Boron Trifluoride, Carbonyl Fluoride, Chlorine, Dichlorosilane, Germane, Hydrogen Sulphide, Silicon Tetrafluoride	Boron Trichloride, Carbonyl Sulphide, Ethylene Oxide, Hydrogen Bromide, Hydrogen Fluoride, Sulphur Dioxide, Trichlorosilane	Ammonia, Carbon Monoxide, Hydrogen Chloride, Methyl Chloride, Nitrogen Trifluoride

Bulk flammable gases and liquids

All bulk flammable gases and liquids may be considered an HRSC. They can be further classified according to quantity.

NOTE This is not intended to include cylinder packages / dewars

	Flammable A	Flammable B
Weight	Greater than 4540kg (10 000lb)	Less than 4540 kg (10 000lb)
Common Examples	Hydrogen, Propylene, Propane, Acetylene, Carbon Monoxide	Hydrogen, Propylene, Propane, Acetylene, Carbon Monoxide

Bulk liquid oxygen

Bulk liquid oxygen may be considered an HRSC. It can be further classified according to quantity.

NOTE This is not intended to include cylinder packages / dewars

	Bulk Liquid Oxygen A	Bulk Liquid Oxygen B
Weight	95 000 litres (25 000 gallons) or greater	Less than 95 000 litres (25 000 gallons)

Nitrous oxide

Any amount of nitrous oxide (bulk and cylinders) may be considered an HRSC due to its attractiveness as a target for criminals due to its narcotic effect.