



FEICA

**Fédération Européenne des
Industries de Colles et Adhésifs**

**European Federation of
Adhesives Industries**

REACH

**Key Statements
concerning the new
EU Chemicals Policy**

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FEICA is the umbrella organisation of the European adhesives industry. It represents 15 national adhesives industry associations, has links to 480 small and medium sized adhesives manufacturers and employs 32,000 people. It represents an aggregated turnover (adhesives, sealants and tapes) of approximately six billion €.

FEICA supports the main objectives of the new chemicals policy approach. The core of the European chemicals policy is REACH (**R**egistration, **E**valuation and **A**uthorisation of **C**hemicals). It was officially adopted by the European Commission on 29 October 2003, after an internet consultation. FEICA welcomes the changes made by the current European Commission proposal, which were largely due to several concerns expressed by FEICA and other downstream user associations in the internet consultation. However, FEICA strongly believes that further improvements are necessary in order to achieve the main goal of REACH. FEICA believes there is a need to:

- establish a workable system for an effective protection of human health and the environment
- maintain the competitiveness of the industry and enhance innovative capability

As part of the downstream chemical use and supply chain, FEICA has strong reservations about the current European Commission proposal.

FEICA has key concerns in three main domains of REACH:

- 1. the general political approach towards REACH**
- 2. the maintenance and development of competition within the European adhesives industry**
- 3. the workability of REACH**

1. General political approach towards REACH

New European regulations have to be better and more efficient than existing regulations. They have to guarantee fair competition. This means that importers of products from outside the EU or companies supplying into the EU must be obliged to comply with the same rules as EU based manufacturers.

In principle, importers and manufacturers of materials obey the same rules and standards of REACH. This, however, does not hold true for products already bonded by adhesives such as cars, electronics, shoes, furniture, parts of household equipment and food packaging. Non-EU suppliers will have a competitive advantage because they will not have to carry the burden of complying with REACH. Materials used in imported goods have to be registered only under certain conditions. Therefore, European customers and companies will increasingly make use of less-expensive, pre-assembled products from non-EU suppliers. Most of them will not realise that safety warranties of such products will greatly differ, due to the uncontrolled components in products from outside the EU.

The strength of the European adhesives industry consists of tailor made solutions for its customers, but the current European Commission proposal will reinforce a trend towards the simplification of adhesives. It will become a commodity, which leads to:

- an overall decline in quality
- a reduction in the choice of products
- a reverse of the current practise to replace traditional fastening methods by using adhesives or to enable technologically advanced and highly innovative products by the indispensable help of adhesive bond technology
- negative consequences for many European high technology areas, such as aerospace, electronics, transportation, and telecommunication industries.

The consequence of REACH will be that European manufacturers of products using adhesives will move their production sites outside the EU and export the finished goods into Europe. If manageable, ambitious manufacturers of adhesives might follow and transfer their production outside the EU as well. This holds especially true for the highly innovative fields of the industry.

2. Maintenance and development of competition within the European adhesives industry

Re-formulation and loss of performance due to limitations of raw materials

Thousands of chemicals are used in adhesives. Many of these raw materials are unique and are used and produced only in low volume. Each raw material has an essential and specific function for the performance of the product. Without them, adhesives may no longer be fit for their original design.

Especially in the adhesives industry, many substances are needed in small volumes. The costs of registration envisioned in the proposed regulation therefore will be far greater than any financial return. Supply will cease and certain components will disappear from the market. Alternatively, the downstream users would have to register the small amounts of substances themselves. In most cases, small and medium-sized enterprises (SME) neither have the necessary personnel nor the expertise. They also lack the means to afford the inevitable costs of registration.

The loss of numerous chemicals at once will impose a significant cost and resource burden on the adhesives industry. This goes hand in hand with a loss in innovation capabilities. SMEs will especially suffer from the burdens of REACH.

Loss of precious time advantages

The massive cutback on a formerly broad variety of raw materials will largely increase the time frame for active marketing measures. This spectrum ranges from the laboratory results to the production line. The slowdown results from:

- The – in many cases insufficient – substitution of certain components through the process of reformulation
- the additional Research & Development efforts
- the development of alternative formulations
- the renewed property and performance tests (including long-term testing)
- the necessity of renewed customer specification approval
- a market introduction of changed products.

For certain products, like those used in the automotive sector, this period may run up to several years. A time advantage is crucial for innovation and development.

Insufficient protection of company secrets and know-how

Protection of know-how and confidentiality of preparations are vital issues for the adhesives industry. The market position of businesses in the adhesives industry highly depends on the knowledge of how to get adhesion for a certain application. This is achieved by a mixture of different adhesion promoters, which are normally special substances used in small amounts in the preparation process. Since adhesion is the core of adhesives products, adhesive manufacturers have to keep the information on those components highly confidential. The same applies for other components like prepolymer systems which influence the mechanical properties of the adhesives in their flow behaviour or long-term durability. This confidentiality is crucial for the adhesives industry.

Article 116 of the Commission proposal mentions clear criteria for the confidentiality of documents. However, in article 30 (1), the suppliers in the supply chain are asked to provide certain information. This contradicts article 116. By providing the registration numbers for non-hazardous preparations, the full formulation will be known in the supply chain. Subsequently, unfair competition will occur. Free riders will profit from formulations for which they did not invest.

Essential competitive advantages will be lost if the full composition of non-hazardous preparations has to be disclosed by providing the registration numbers of all substances contained in the preparation.

Market distortion

To avoid market distortion between different member states, the European Chemicals Agency should be solely responsible for the whole implementation of REACH.

3. Workability of REACH

At different official occasions, it has been stressed by the European Commission that REACH should be workable, especially for SMEs. The workability of REACH, as laid down in the European Commission's proposal, has increased after the internet consultation. However, there are still several improvements necessary to make sure that the SMEs also comply with the obligations laid down in the regulations. Just as the REACH map

exercise in North Rhine-Westphalia has proven, without further changes, SMEs will face unsolvable problems.

The European Commission has – largely due to comments by the affected industries – incorporated improvements that are essential to the adhesives industry and that must not be changed during the discussions in the European Parliament and the European Council:

Polymers must be exempted from registration

REACH will operate better if polymers do not need to be registered. A registration of all polymers would overload the administration of the REACH system, burden the companies disproportionately and question the re-arrangement of chemical policy in general.

A lot of SMEs (e.g. in adhesives and paint industry) use a wide range of polymers with an average molecular weight of 700 to 5,000 Dalton, which consist of registered monomers. These polymers are very often tailor-made reactive prepolymers which have to meet the individual requirements for specific applications or products (e.g. individual surface properties, process parameter).

Estimations lead up to an average of 50 different polymers in a single SME (in specific cases up to 500 or more different polymers). This portfolio is not static but will change with future market requirements. Because of the customised character of these polymers, it is unlikely that SMEs will share information and company secrets in consortia. Therefore, each affected SME would be forced to submit its own registrations to the Agency.

Approximately 200,000 additional polymer registrations would quickly overflow the system and overextend the financial and human resources of the affected enterprise. This overflow is not a temporary effect but will persist into the future due to the permanent change of the polymer portfolio in the SMEs. On average, 10 percent of the polymer portfolio of a SME will change every year. This means up to 20,000 additional polymer registrations will have to be carried out each year.

The confidentiality of information issued by the downstream user to the agency must be maintained without any cutbacks.

The know-how and the experiences of a company have to be protected, and the content of their formulations may not be disclosed and must be kept absolutely confidential.

Without these first principles, competitive advantages will be lost for the adhesives, and unfair competition through free-riders will occur.

No obligation to register substances with a production volume below one ton per year.

A huge number of additional registrations would very quickly overflow the system. Substances that are needed only in small quantities, such as catalysts, adhesion promoters or stabilisers, would disappear from the market for financial reasons.

Though the European Commission already incorporated improvements in its draft, the downstream user's point of view stands that there is still the necessity and some room for change in the initial proposal.

The manufacturer or importer may choose to refuse a registration regarding a new identified use for safety reasons but not for commercial reasons.

In Article 34, the downstream user is given the right to make a new use known to the manufacturer/importer so that the manufacturer has to enlarge his registration dossier covering the new identified use. It is important that the manufacturer may refuse this enlargement only if the new use leads to a foreseeable adverse effect to human health or environment. If not considered in the registration of the manufacturer, the downstream user (mostly a SME) would be required to register the application himself. Therefore, the hampering of innovative products for commercial reasons must be avoided.

In order to ensure that a broad range of downstream uses will be covered by the registration dossier, there should be a clear obligation for the use of exposure categories in the registration of a substance.

Though the downstream uses of a substance might be diverse, the specific exposure scenarios could be grouped into a few general exposure categories. This would reduce the numbers of exposure scenarios in the registration dossiers and would increase the likelihood for a new use to be covered by the exposure scenario of the registration dossier. This is especially important for downstream users. It spares them from registering for each new application. These exposure categories comprise the route of exposure as well as the level and duration of admissible exposure without, however, referring to concrete individual uses.

The chemical safety assessment for preparations should be based only on the main component(s) relevant to a certain risk.

SMEs are not able to take into account all possible hazards, risks and possible interactions of all substances of a preparation, when carrying out its safety assessment (Annex Ib). The financial and personnel expenses would be unfeasible. In most cases it is sufficient to concentrate on those main components which determine the respective risks of a preparation (tailored approach).

Importer and manufacturers of non-dangerous preparations should have the possibility to deliver a safety data sheet instead of providing and lay open the registration numbers of all substances contained in the preparation.

By providing the registration numbers for non-hazardous preparations, the full formulation will be known in the supply chain. Subsequently, unfair competition by free-riders will occur.

FEICA Member Associations

AT - AUSTRIA	Vereinigung der österreichischen Klebstoffindustrie
BE - BELGIUM	DETIC Comité Professionnel BELCAM
CH - SWITZERLAND	Fachverband Klebstoffindustrie Schweiz
DE - GERMANY	Industrieverband Klebstoffe e.V.
DK - DENMARK	Branche foreningen for Lim og Fugemasser
ES - SPAIN	Asociación Española de Fabricantes de Colas y Adhesivos (ASEFCA)
FR - FRANCE	Syndicat Français des Colles et Adhésifs (S.F.C.A.)
FIN - FINLAND	Kemianteollisuus RY
GB - GREAT BRITAIN	British Adhesives & Sealants Association (BASA)
IT - ITALY	Associazione Nazionale Vernici Inchiostri Sigillanti e Adesivi (AVISA)
NO - NORWAY	Maling og Lakkindustriens Forbund
NL - THE NETHERLANDS	Vereniging Nederlandse Lijmindustrie (VNL)
PT - PORTUGAL	Associação da Indústria e Comércio de Colas e Similares
SE - SWEDEN	Sveriges Limleverantörers Förening
SI - SLOVENIA	Združenje kemijske in gumarske industrije (APA)

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feica.com

The info platform on the worldwide web.
Facts and figures on the world of adhesives.

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