REACH* — Implications for the Supply Chain

Keith Huckle,
Dow Corning Coordination Center S.A.
Seneffe, Belgium

*REACH = Registration, Evaluation, Authorisation of Chemicals

REACH – Implications for the Supply Chain

- REACH Status Update
- Preparing for REACH
 - Supply Chain Challenges
 - Training Awareness

Major Components of REACH

Registration

Substances manufactured or imported in quantities of > 1tonne/yr (with exemptions)

Evaluation

Registration information (eg. Registration dossiers) by Member States

Authorisation

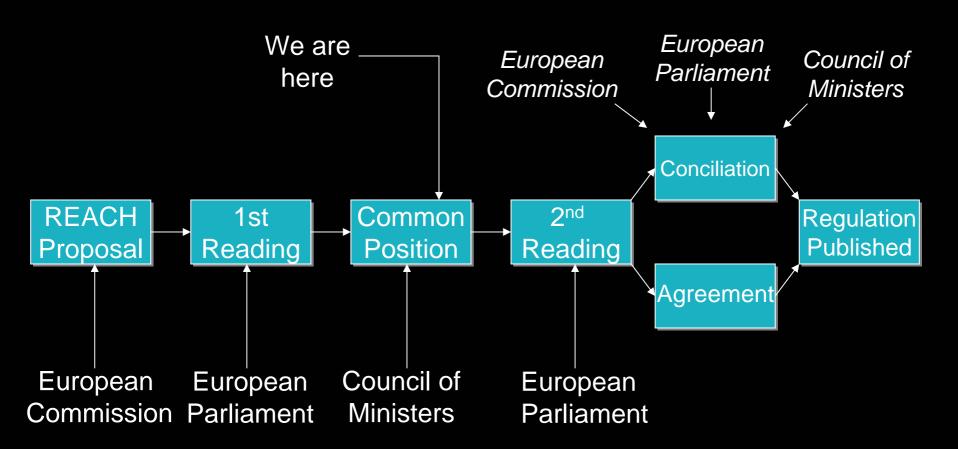
Substances of High Concern*. Restriction of certain dangerous substances

Sharing of hazard, exposure & risk data up & down the supply chain

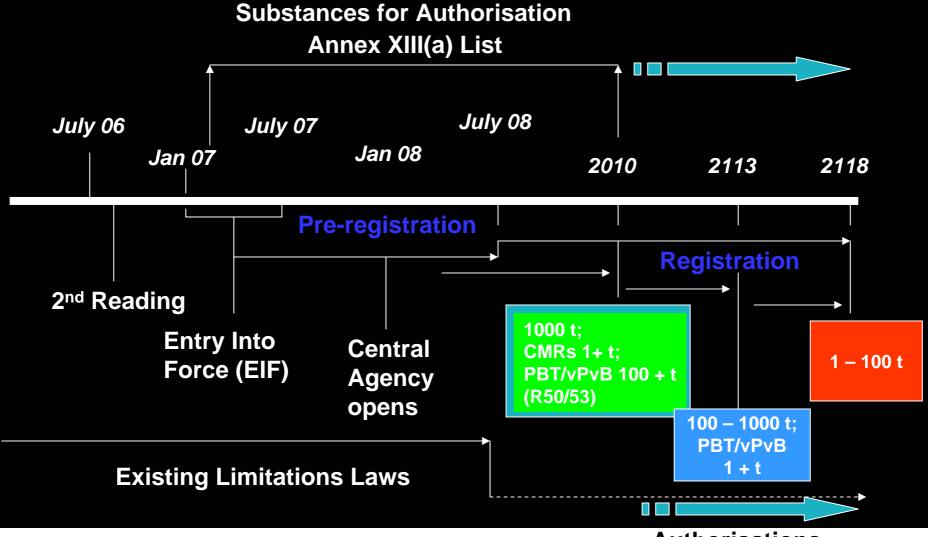
Classification & labelling of all substances (Globally Harmonised System)

*Carcinogen, mutagen & toxic to reproduction (CMR) categories 1 & 2; persistent, bioaccumulative, & toxic (PBT) or very persistent, very bioaccumulative (vPvB); substances identified as causing serious & irreversible effects to humans or the environment – substances of equivalent concern

Overview of the REACH Political Process



REACH Milestones

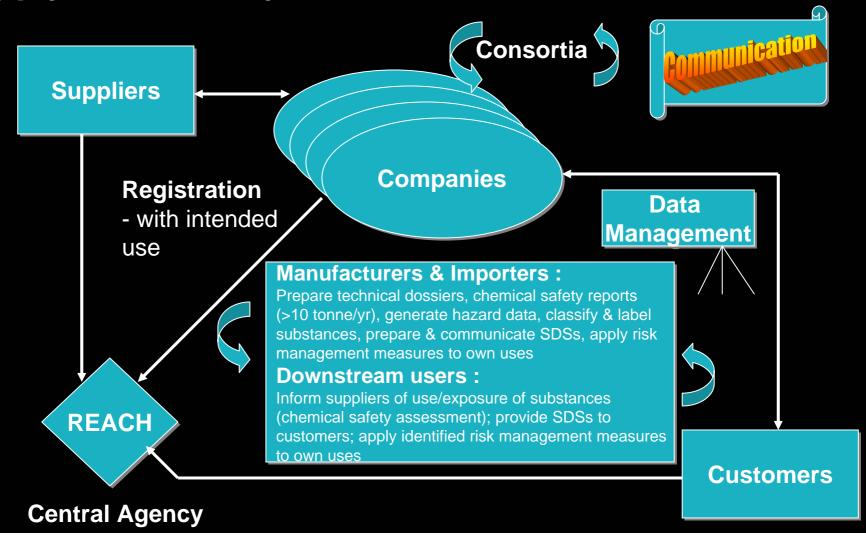


Preparing for REACH

What can I do to get started now?:

- Understand REACH & its potential implications across the entire chemical supply chain
- Audit complete product portfolio to identify applicable REACH requirements & specific impacts
- Develop a business strategy & action plan toachieve compliance, mitigate challenges & exploit opportunities
- Prepare communications plan for internal stakeholders, as well as users up & down the chemical supply chain

Supply Chain – Key Role



Supply Chain – Key Role in REACH

Early observations:

- Communication requirements up AND down the supply chain
- Materials Declarations
 - complexity & conformity?

Supply Chain – Key Role

Traditional model (e.g. RoHS)

Downstream User Supplier Information (Customer) **Compliance Need or Conformance Standard** (e.g. IPC-1752) **REACH** Downstream User Information Supplier (Customer) **Compliance Need or Compliance Need or Conformance Standard: Conformance Standard**; many industry sectors **Electronics Industry**

Supply Chain Conformance

Sector Specific

Multi-sector

Driver

RoHS Directive End of Life Vehicle (ELV) Directive

REACH Regulation

Substances

4

6

2000??

Industry List

JIG 101

GADSL

Annex XIII ??

Materials
Declaration
Response

IPC-1752

Eco-Compliance
Declaration (ECD)
Exchange Form

IMDS

AIAG ELV Spreadsheet ????

DOW CORNING

REACH – Supply Chain Communications

- Simple in theory more difficult in practice
- Many different industry sectors
- Variable level of expertise of actors involved
- Confidentiality issues 100% Declarations?
- Complexity of supply chains
 - Linear/direct?
 - Matrix/net
 - who directly precedes or follows?

REACH – Supply Chain Challenges

- Calls to standardise MSDS's internationally
- Quality issues
- REACH requires more than any current format globally
- Additional information easily accessible for Downstream Users (DUs) & communicated in standard format
- Standardise (electronic) information transfer
- Will MSDS content satisfy Materials Declarations demands?
- Due Diligence requirements

NEED FOR DIALOGUE & CONFORMANCE STANDARDISATION

Preparing for REACH - Training

- Training Awareness Program
 - Cross functional & integrated
- Anchor within existing environment/ Product Stewardship programmes
- Balance between "what we know today & what we can influence for tomorrow"
- "Little and often" approach long term need
- Balance between operational and strategic
- Internal first, then external (distribution, customers, suppliers etc)...fight inertia or panic!

Where to get help?

REACH Requirements

- -National REACH Help Centres
- -CEFIC REACH Centrum
- http://europa.eu.int/comm/environment/chemicals/reach.htm

Substance-specific information

-Substance supplier and/or supplier consortia (SIEF – Supplier Information Exchange Forum)

Context & strategy

- In house experts; consultants

REACH and RoHS

- RoHS has proved a significant challenge to the hi-tech sector
 - Six substances restricted
 - > Huge supply chain & materials declaration challenges
 - > Supply chain information flow primarily supplier to customer
 - Not all suppliers have the same approaches (or standards)
 - Lot's of valuable learning

• REACH

- Less sector-focused, impacts many other stakeholders
- Many more substances potentially impacted
- ➤ Estimated 1500 2000, although not all relevant to sector
- Don't underestimate classification & labelling impacts
- ➤ Supply chain information flow both up AND downstream
- Compliance and conformance requirements now two-way
- Confidentiality issues & supply chain complexities
- > Supply chain dialogue essential for success