

REACH Regulation

Guidance to importers of articles from non-EU countries

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1 PREFACE

This guidance was drawn up by the Danish Chamber of Commerce as an aid to the interpretation and handling of the requirements that the REACH regulation imposes with regard to the import of articles.

The guidance is aimed at importers of articles from non-EU countries.

Paragraph 5.4 describes the lower-limit special obligations arising from the REACH regulation and which importers should be aware of.

The guidance is based on the provisions of the REACH regulation and knowledge about the understanding of rules in force at the time this guidance was drawn up.

According to REACH, the importer shall be able to document a number of conditions related to substances of very high concern (SVHC) in the articles, before he is permitted to place them on the market. This also means that the importer has to keep informed about REACH provisions, because the list of substances covered by the REACH regulation is continuously updated and extended. With respect to the REACH regulation the importers are the ones who are responsible for determining whether articles contain substances of very high concern. The responsibility no longer rests with the authorities.

REACH will affect competition among importers that are “at the forefront” and importers that risk losing markets, if they do not keep track of the substances that are covered by the authorisation scheme under REACH.

Consumers and consumer organisations will get more and more interested in knowing whether suppliers meet REACH requirements. Good communication by the importer may thus be decisive for the sales – and for the importer’s reputation with customers and shareholders.

The guidance makes it easy to decide whether an imported object constitutes an article or not. The guidance also describes importers’ responsibilities, required documentation, and ways of efficiently procuring the necessary information in cooperation with one’s suppliers.

Eventually, the guidance provides good advice on how importers can deal with customers’ expectations.

The guidance was drawn up by the Danish Chamber of Commerce in cooperation with selected companies and a project committee chaired by the Danish Chamber of Commerce. The project committee members are Eurofins Product Testing A/S, Pluss Leadership, A/S, Hirsbak

Consult, and HSE Consult Aps. Coop, Denmark and IFU (The Industrialisation Fund for Developing Countries) were associated as an advisory group.

The project was carried out with the support of the Danish Environmental Protection Agency's Subsidy Scheme Issue 2.2 Substitution – Projects on the development of tools and implementation of the new chemical policy. The guidance will also be published on the website of the Danish Environmental Protection Agency.

It should be noted that such a publication does not necessarily mean that this guidance is an expression of the Danish Environmental Protection Agency's views.

However, the publication does mean that the Danish Environmental Protection Agency considers its contents an essential contribution to the debate on Danish environmental policy.

The Danish Environmental Protection Agency hopes that the guidance will help companies meet their legal obligations and strengthen the dialogue with suppliers.

2 INTRODUCTION

2.1 Purpose and delimitation of the guidance

This guidance relates to EU's chemical reform – REACH¹ – that entered into force on 1 June 2007. The guidance is intended as an aid to **importers of articles, which do not release any chemical substances, from non-EU countries into the EU**, e.g. furniture, toys, textiles, hardware, equipment, etc.

The guidance

- describes the REACH's legal provisions concerning substances of very high concern (SVHC) in articles,
- provides help such as explanations, examples, and actual tools for companies to use when dealing with these requirements in practice,
- gives advice based on experience with efficient cooperation between importers and suppliers.

The guidance covers part of REACH only. It does **not** cover REACH's requirements concerning:

- Import of chemical substances
- Import of chemical products/preparations (e.g. paint, detergents, candles, etc.)
- Import of substances/products/preparations in containers/cassettes (e.g. ball pens, felt-tip pens, wet wipes, etc.)
- Import of articles that are intended to release substances (e.g. articles that release fragrances)

Further information about the subjects is available in the REACH regulation and other associated guidances.²

The REACH regulation makes new requirements on the documentation of chemical substances and their use. This means, for instance, that all importers of articles shall determine whether the articles they import contain chemical substances covered by legislation. Thus, the

¹ REACH is a regulation (EC No. 1907/2006). This means that it applies directly in all EU countries. It does not need prior implementation into Danish legislation by way of statutory orders

² <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2006:396:0001:0849:EN:PDF>
<http://echa.europa.eu/>
http://guidance.echa.europa.eu/guidance_en.htm

legislation imposes requirements on companies that do not currently think of themselves as being subject to the chemical legislation.

Importers' responsibility with respect to REACH depends on their position in the supply chain³ and their responsibility relates to individual substances. Therefore, a company may have several roles to play, thus also various obligations arising out of REACH.

As mentioned, this guidance only deals with the role of **importers of articles from non-EU countries into the EU**.

2.2 Reading guide

The guidance is structured as follows:

Chapter 2 describes the purpose of the guidance and the consequences of REACH for the companies.

Chapter 3 describes how to distinguish between a substance, a product/preparation, and an article. The rest of the guidance focuses only on articles.

Chapter 4 explains how to find information about the substances covered by REACH, viz the candidate list and Annex XIV. Besides, it explains how importers apply for an authorisation to use the substances listed in Annex XIV.

Chapter 5 describes importers' responsibilities in relation to REACH: What kind of documentation is required; how to procure it; and how to deal with the information?

The appendices contain examples and actual tools:

Appendix 1 gives examples of various types of articles and how they are defined.

Appendix 2 provides help to find out "where to look" for substances of very high concern.

Appendix 3 shows an example of an accompanying letter and a table that contains the information that the supplier shall give to the importer (supplier's declaration).

Appendix 4 provides help for calculating the quantity of SVHC in articles.

³ The supply chain is also referred to as supplier chain, chain of articles, and product chain.

Appendix 5 describes how an importer shall notify the European Chemicals Agency (ECHA) of SVHC.

Appendix 6 provides a survey of the most frequently used “REACH” terms and their meaning (a mini REACH dictionary).

Appendix 7 describes ways of ensuring an efficient cooperation with suppliers.

Appendix 8 provides sundry recommendations showing how companies can deal with consumers’ expectations and requests.

2.3 Brief about REACH

REACH is the new overall EU chemical legislation that came into effect on 1 June 2007 (REACH regulation 1907/2006). REACH is an abbreviation of: **R**egistration, **E**valuation and **A**uthorisation of **C**hemicals.

The purpose of REACH

The purpose of REACH is to reduce the impact of certain chemical substances on human beings and the environment by ensuring that the individual substances are used in a safe way throughout the entire supply chain. Central elements of REACH are:

- To establish a complete registration system for chemicals
- To improve communication throughout the supply chain
- To introduce an authorisation scheme for the use of SVHC
- To restrict the use of substances that involve unacceptable risks

How does REACH affect the importer?

According to REACH the responsibility for providing the required documentation rests with the importer.

Therefore, an efficient dialogue between importer and supplier of goods is a requisite for ensuring the necessary documentation.

For in-company affairs REACH means that:

- The company shall reassess their product range, i.e. assess which articles can still be sold and which articles have to be phased out or replaced by other articles. Either because the articles contain substances that will be prohibited in the long

term or because providing the necessary documentation will be costly.

- The company also has to evaluate which suppliers meet REACH requirements – and which investments may be necessary for teaching the supplier to obtain REACH competencies. Contacts with suppliers will be affected by REACH because suppliers have to provide more information.
- Sellers and buyers must be in a position to ask and answer questions about REACH.
- IT and management systems have to be accommodated so REACH information can be saved and re-found when needed for documentation purposes.

How does REACH affect the cooperation with customers and suppliers?

Consequences of REACH are:

- Customers will ask for information about and require contact persons in relation to REACH.
- Importers will require more from their suppliers.
- Consumer organisations will become increasingly aware of the way companies deal with legislation.

"We wish to gain a better foothold in the supermarket business which requirements there are for things to be flawless. When we recall goods from Bilka, our business partners don't consider us serious... Thus it is getting more and more important to have our suppliers under control".

Manager of a leisure-gear wholesale company

Which benefits does REACH provide?

The benefits of REACH are:

- Importers will increase their knowledge about their suppliers and get an opportunity and tools to "sort out" among them.
- Importers will increase their product knowledge by compiling knowledge about the use of SVHC.
- Sellers and buyers will increase their knowledge – and thus get a chance of improving the dialogue on problem areas and uncertainties and making it more qualified.
- Importers will have a reason to (re)consider their environmental responsibilities and the opportunity to market themselves on these grounds.

Where does REACH apply?

The REACH regulation became effective in all EU countries on 1 June 2007. Also Norway, Iceland, and Liechtenstein chose to implement

the complete regulation and Switzerland is expected to implement major parts of it.

The Agency's objective is to ensure that REACH is used consistently in all EU countries. See http://echa.europa.eu/home_en.asp

Further information about REACH is available from the sources stated below⁴.

Who enforces the law?

In Denmark, the REACH regulation is enforced primarily by the Environmental Protection Agency, i.e. the Environmental Protection Agency is responsible for checking that companies meet the provisions of the regulation in respect of registrations, authorisations, and restrictions. The Danish Working Environment Authority supervises information in the supply chain, safety data sheets, exposure scenario, etc.

The Environmental Protection Agency also offers **help to interpret the regulation**. See

http://www.mst.dk/English/Chemicals/Legislation/Reach_Helpdesk

Many importers find that the authorities in the countries that the importers sell to – for example Germany – perform much stricter control of selected parts of the environmental legislation than we see in Denmark. Therefore, if a Danish importer wants to maintain his market in Germany, it may be vital that he can document his compliance with REACH requirements.

"We have been facing a lot more pressure on the issue of safe handling of SVHC over the last years. The reason is that German consumers have become more conscious and that focus on EU legislation has increased. But also the situation in China has changed. Many suppliers have vanished, and making new contacts is both risky and expensive".

Buyer with an importer of safety equipment

REACH being a European regulation, common rules apply within the EU. The regulation, however, is not specific about certain issues, which leaves room for different interpretations in different countries.

If you **meet trade barriers in areas where the rules specified in REACH are unambiguous**, you can get free help from EU's helpdesk. It is named Solvit and available at <http://ec.europa.eu/solvit/>.

http://echa.europa.eu/home_en.asp

3 DEFINITION OF AN “ARTICLE”

An importer must know the exact definition of the term “article” in order to know which requirements REACH specifies for the import of articles. Imports of substances and chemical products/preparations are subject to other requirements that are not dealt with in this guidance.

An “article” is:

- An object which during production is given a special **shape, surface or design** which determines its **function** to a greater degree than its chemical composition.

Examples of articles are: Furniture, textiles, books, paper, toys, electric equipment, kitchen units, packaging (also for foodstuffs), thermometers, batteries, etc. These may be either finished products or semi-manufactures.

Note that articles produced with the purpose of releasing a fragrance, e.g. fragranced erasers or scented textiles (REACH refers to them as “articles with intended release”) are subject to special rules. Therefore, these types of articles are not dealt with in this guidance. Please refer to the relevant literature.⁵

In some cases, it may be difficult to decide whether a product is a container/cassette containing a chemical product/preparation – e.g. a ball pen – or whether it is an article that contains a chemical substance. Therefore, the importer is recommended

- to contact the Environmental Protection Agency in cases of doubt,
- to describe and document his basis of evaluation.

Appendix 1 gives a more detailed description of the issue.

Particulars about packaging

Articles are often wrapped in an outer packaging. This **packaging** (cardboard, paper, plastic, etc.) is considered a separate article. A glue stick, for instance, may be contained in a sleeve, a sales display (i.e. the wrapping that the glue stick is sold with), an outer carton, a master carton, a pallet film (the plastic that is used for wrapping the consignment) and a single-use pallet.

⁵ See REACH regulation, article 7. Besides, reference is made to ECHA’s guidance on articles.

4 CANDIDATE LIST ANNEX XIV

This chapter describes where companies may find information about the SVHC that may be covered by REACH's⁶ authorisation scheme. The chapter also shows that an importer is allowed to import the substances contained in an article, but that he is obligated to pass on the information to the next link of the supply chain.

The importer must know whether the imported articles contain SVHC. SVHC are found among substances that meet the following criteria⁷:

- Substances classified as CMR substances in categories 1 and 2
- PBT substances and vPvB substances identified according to the criteria listed in appendix XIII of the regulation
- Other substances for which scientific documentation documents probable serious hazards to human health and the environment and which are problematic in the same sense as the other abovementioned substances, for instance, this applies to endocrine disruptors.

CMR substances: Carcinogens, mutagens, substances toxic for reproduction (reduces male and female reproductive ability).

PBT substances: Persistent (not readily biodegradable, long residence in the environment), bioaccumulative (accumulate in live human and animal tissue) and toxic substances.

vPvB substances: Very persistent and very bioaccumulative.

The Agency continuously updates a list of SVHC. This list is referred to as the **candidate list** (see appendix 2). Substances cannot be taken off the list. The substances listed are regularly selected for evaluation by the Agency together with the member states.

The substances on the candidate list have also been selected among substances that meet the above-mentioned criteria. The substances on the candidate list are the substances that the importer must keep in check in order to meet REACH requirements.

As a result of the evaluation of a substance on the candidate list, the substance may be transferred to **Annex XIV** (see appendix 2). Once a substance is listed in **Annex XIV**, companies that still wish to produce

⁶ The latest version of the candidate list is available on the European Chemicals Agency's website (http://echa.europa.eu/chem_data/candidate_list_table_en.asp).

⁷ The definition of substances of very high concern is available from the REACH regulation (EF Nr. 1907/2007) paragraph 57.

or use the substance must apply for an **authorisation** to use the substance. Substances transferred to Annex XIV will remain on the candidate list.

The obligation to apply for an authorisation only concerns companies that produce or use the SVHC themselves, for example, companies that manufacture an article within the EU and add the substance to the article.

If a company imports, from a non-EU country, articles into which SVHC have already been **incorporated** when the importer receives the articles, the importer does **not** need to apply for an authorisation to use the substance. It is thus allowed that the substance is present in the article, but the importer must know it and inform those to whom he sells the article, see paragraph 5.4 about notification and information on safe use.

Importers of articles, however, must be aware that any SVHC incorporated into an imported article may be subject to restrictions in use (REACH regulation, article 58, part 6).

This means that the EU may also restrict the use of SHVC incorporated into an article, if the substance is hazardous to human health or the environment. The EU will decide on this matter immediately after expiry of the registration deadline, i.e. 1 June 2011. The EU will then assess the quantities of a SHVC incorporated into an article.

Authorisation scheme

The general purpose of the authorisation scheme is to ensure

- that risks from SHVC are kept in control,
- that these substances will be replaced by other substances or technologies if such other substances or technologies are economically feasible and technically available. This is referred to as substitution.

The substances on the candidate list are continuously selected following a defined procedure that involves, for instance, a public hearing. Not later than two years after the REACH regulation has come into force, the Agency shall submit its first recommendation as to which substances shall be transferred from the candidate list to Annex XIV. Subsequently, further substances shall be recommended every second year. Once a substance has been listed in Annex XIV, companies that wish to continue **producing** or **using** the substance shall apply for an authorisation for a specific use before expiry of the specified deadline.

The specified deadline will appear in Annex XIV. Next to the name of the substance a date will be stated showing when all use of the substance shall cease (sunset date), unless a particular use of the article has been authorised.

If a company wants to apply for the authorisation to use a substance listed in Annex XIV, the application must be sent no later than 18 months before sunset date.

Applications for authorisation according to Annex XIV must include, inter alia, an analysis that contains:

- A risk assessment documented in a chemicals safety report, unless submitted together with the registration
- An analysis of alternative substances or technologies and information about research and product development aiming at the development of suited alternatives

If the analysis proves that suited alternatives are available, the application **must** include a plan for substitution.

If a company has been authorised to use a substance for a particular use, the company will receive an authorisation that states the identity of the substance, the use for which it has been approved, the names of the persons who have received the authorisation, etc. The authorisation will also specify a date for renewal of the authorisation.

5 DIALOGUE WITH THE SUPPLIER

The chapter reviews the different phases of an importer's contact with his suppliers on the subject of REACH. Furthermore, the chapter will include a description of considerations relevant to the importer and activities to be carried out in order to comply with REACH.

5.1 The importer's role and responsibilities

It is the importer's responsibility to ensure that the provisions of REACH are observed. An importer is defined as "any natural or legal person established within the Community who is responsible for import⁸". This means that the one who decides the import will be responsible towards REACH.

In some cases manufacturers from non-EU countries have appointed a sole representative in the EU to assume their importer's obligations in respect of REACH, i.e. a manufacturer in China may have an arrangement with an EU-based company to assume the role of importer in respect of REACH. In such cases the sole representative is tantamount to the importer in respect of REACH. This means that the sole representative assumes the importer's REACH obligations, whereas it is still the actual importing company that undertakes clearance of imported articles.

Likewise, the importer is responsible for any purchase of articles within the EU. If the information given by the supplier is inadequate or if the supplier violates legislation, the importer shall contact the supplier in order to obtain the documentation required by the REACH regulation.

5.2 Supplier's documentation

Appendix 3 contains a template for an accompanying letter and a declaration for the purpose of obtaining a supplier's documentation of SHVC in the articles.

The supplier's documentation may be submitted as:

- A signed declaration (appendix 3) and, if possible:
- Documentation such as
 - Test report by an impartial laboratory⁹,
 - Technical data sheet or

⁸

http://guidance.echa.europa.eu/docs/guidance_document/registration_en.pdf?vers=26_1_08 (paragraph 1.5.3.3).

⁹ Possibly as a test report for the same article encompassed by other legislation, e.g. the toys directive.

-
- Complete formulation (i.e. a description of the chemical composition of the article).

There are no formal requirements for this documentation, so it is up to the importer to evaluate what to ask from the supplier. This also means balancing the need for documentation against the risk of a product containing a certain substance.

What can the importer do if the supplier fails to provide the required documentation?

Evaluate the reason – is it a matter of time, lack of knowledge, uncertainty about revealing the information or cultural barriers (see paragraph 11.6)? It is not about the importer disclosing confidential information (formulations, etc.).

Tell the supplier where he can get the required information.

Gather your suppliers and teach them how to prepare a supplier's declaration.

Check if there are local test companies that could head the training¹⁰.

"We tell our suppliers which requirements they have to meet instead of leaving it up to themselves to find out. The information is found on a restricted website from which suppliers can download material needed in the dialogue, e.g. a guideline describing which legislation applies to which product areas, ways of product labelling, translations of product information into a number of languages, etc. Our suppliers have become a lot more competent now that we make requirements".

Head of quality with an importer and distributor of furnishings

5.3 Guide to obtaining documentation

If a supplier does not want to state the substances present in a certain article, the supplier may use an impartial third party to draw up the required information.

If a supplier is willing but unable to provide the documentation, the importer will not be able to comply with legislation. In this case the importer will need to evaluate if he will try to obtain the information or if he decides to find another supplier.

"We have an agreement with SGS; they act as a third party and evaluate the goods before they are dispatched. SGS makes random sampling with particular focus on materials that may get in touch with foodstuffs. Profile articles rank the highest in our quality requirements".

¹⁰ The importer may check, for instance, if there are divisions of internationally acknowledged test companies in the area he deals with.

Quality manager with a wholesale company in the line of hardware, etc.

"Testing on location works nicely as does contact to local test offices. It works fine as well to use intermediaries to ensure that the quality is all right before dispatch. Thus we avoid having to pay for unnecessary administration and transport of unmarketable goods".

Manager of a kitchenware wholesale company

5.4 How the importer deals with the documentation

If the importer imports an article that contains a substance listed on the candidate list¹¹ and if he imports less than 1 t/year of a substance **and** if the substance accounts for less than 0.1 % of the article the importer needs not do anything.

5.4.1 Notification

If the articles contain a substance listed on the candidate list the importer needs to notify the Agency of the substance if one of the following issues prevail¹²:

- The substance is present in the sub-components of an article in quantities of 1 ton or more per importer per year.
- The substance is present in the sub-components of an article in concentrations that exceed a weight percentage of 0.1.

The weight percentage of 0.1 of the concentration applies to all sub-components of an article. The concentration in each individual SVHC must therefore be calculated for all sub-components of the article¹³.

The same substance may be present in several different articles; the accumulated weight of these substances in all imported articles must not exceed 1 t/importer/year. Appendix 4 exemplifies ways of doing these calculations.

Appendix 5 specifies the contents of a notification. For substances included on the candidate list before 1 December 2010, the notifica-

¹¹ The quantity of the substance in question is calculated as one for all articles inclusive of packaging that a company imports

¹² Article 7(2)

¹³ Denmark, Austria, Belgium, France, Germany, and Sweden do not consent to the Commission's interpretation of the way the 0.1% is to be calculated in the case of complex articles that are composed of different sub-components. The Danish Environmental Protection Agency has decided that calculations shall be based on the individual sub-components of an article, not on the **final** article, see appendix 4. The comments of the six countries are quoted in "Dissenting views" on ECHA's website.

tions have to be submitted no later than 1 June 2011. For substances included on the candidate list on or after 1 December 2010, the notifications have to be submitted no later than six months after the inclusion.¹⁴

The importer shall **not submit a notification** if the importer can exclude exposure of the substances to humans and the environment during normal or reasonably foreseeable conditions of use including disposal of the article. This is difficult to document, and it will therefore often be easier to submit a notification.

5.4.2 Information about safe use

If the concentration of a SVHC in an article is >0.1% - whether the imported quantity exceeds 1 t or not – the importer has to draw up information about safe use of the article and he must state which particular SVHC is present in the article¹⁵.

If an article delivered to a professional user (i.e. intended for professional use) contains SVHC, the article must **always** be labelled with information about its safe use.

The consumer is entitled to information about the safe use **upon request**. The same information that is given to professional users may be used in this case as well. The company must answer within 45 days.

As the responsibility for his articles rests with the supplier himself, it is also the importer who evaluates what the term “safe use” covers. As a general rule, the SVHC must always be mentioned. Depending on the kind of substance the importer must relate in a reasonable manner to the way he describes the safe use of each individual article.

The article must also be accompanied by this information when it is sent on to the professional user, but it is not a definite requirement that each single article is labelled when sold to the consumer. An oil-cloth, for instance, that is sold by the metre and contains a SVHC needs not be labelled with information about its safe use when it is sold to a private consumer.

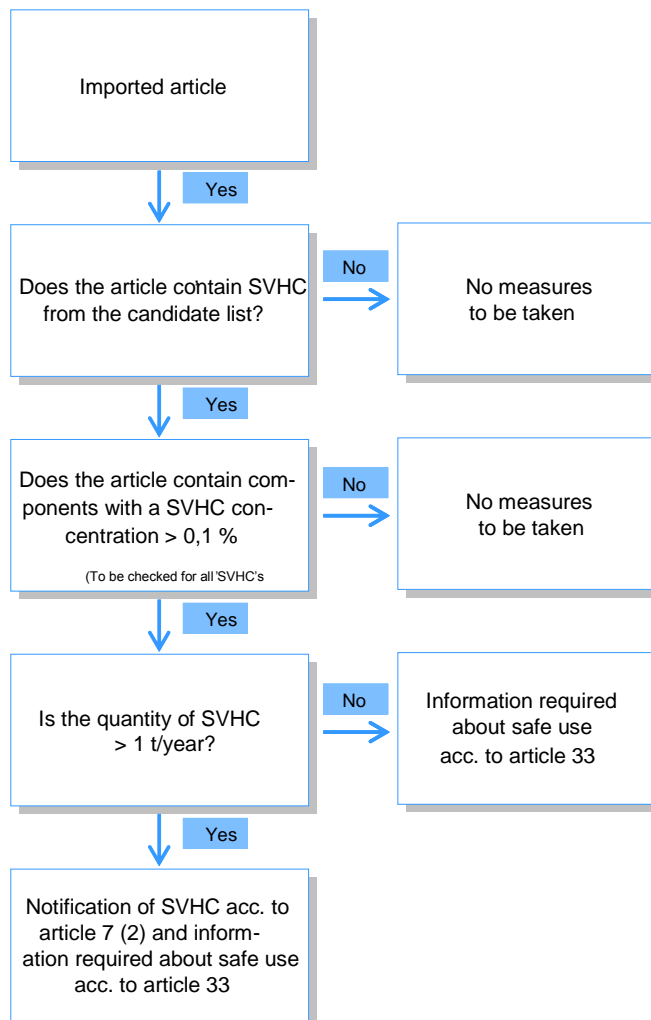
Example of information about the safe use of an article
Name of the substance
CAS number
Registration number with the Agency (if available)

¹⁴See ECHA's press release:
http://echa.europa.eu/doc/press/pr_08_39_candidate_list_rev_20081104.pdf

¹⁵ Cf. paragraph 33.

Classification of the substance
Concentration in the article
Information about safe use, including disposal

The figure below shows the cases in which an importer shall submit a notification of a substance and provide information about its safe use:



6 APPENDIX 1: DEFINITION OF ARTICLES OR OTHER KINDS OF OBJECTS

6.1 Registration requirements

REACH does not require registration of substances present in the articles described in this guidance. The importer is merely required to check whether any SVHC is present in the articles and whether this calls for notification or whether he shall provide information about the safe use of the article, see paragraphs 5.4.1 and 5.4.2.

Registration requirements for other types of articles appear from the REACH regulation and other relevant guidances. See also paragraph 2.1.

6.2 Different objects

In most cases it is easy to evaluate whether an object is a chemical product/preparation or an article. However, there are borderline cases where it may be difficult to decide in which category the object belongs. The description below will help determine what type of object you have imported.

There are three types of objects of which we know from experience that it may be difficult to decide which category they belong to:

1. Objects that consist of a cassette or a container that holds a mixture of substances (i.e. a chemical product in a container, e.g. ball pens, printer cartridges, etc.)
2. Objects that contain substances intended for release (i.e. substances that are intended to deliver a scent, e.g. fragranced eraser and scented textiles)
3. Objects that include a mixture of substances (preparations) that are an integral part, but where the substances are not intended for release in a way that human beings get in touch with the substances (e.g. a thermometer)

As described in chapter 2 the function of an article is determined by its shape, design, and surface. In cases where this is difficult to determine, the function will have to be analysed in more detail:

Step 1: Define the function of the object.

Step 2: If the sole function of the object is to deliver a substance or a mixture, the substance/mixture and its chemical composition are more

important to its function than the container in which the substance/mixture is delivered. Therefore, the chemical composition of the substance/mixture determines the function of the object more than its shape, design, and surface do. The purpose of the container or cassette as a "container" that holds the chemical contents is not as important as the function of the chemical outside the object. Examples are: Spray can with paint, wet wipes, writing materials, printer cartridges, glue sticks, etc.

In these cases the object is an article with a cassette or container that contains a mixture of substances. This type is defined as **a chemical product in a container, and the container is being regarded as an article**. In this case the article is a pure article and notification of its contents of SVHC and information about its safe use (article 7 (2) and article 33) are required. The contents must be considered a product, and the contents of the product must be registered according to article 6.

Step 3: If the main purpose of the object has no relation to the substance or mixture, but to some other function, the main purpose of the object shall be analysed. This may be the case for, e.g. fragranced textiles – a fragranced towel, a fragranced eraser or a nappy with baby lotion. The main purpose is not to deliver a fragrance; the main purpose of a towel is to dry your skin, the rubber is supposed to erase, etc. The fragrance will only be of secondary importance.

In these cases we are dealing with **an article intended to release a substance**. The released substances must be registered according to article 7.1. However, the product is still an article and notification of its contents of SVHC and information about its safe use (article 7 (2) and article 33) are required.

If there are still doubts remaining whether a product/preparation is an article, then try to answer the following questions:

1. If you remove the substance/mixture from the object and use it separately from the object – can the substance/mixture still be used for the intended purpose?
2. Does the object act as a container or cassette that controls the release of the substance/mixture?
3. Will the substance/mixture mainly be consumed/eliminated during use? Or is the substance/mixture present outside the object upon disposal?

If you can answer all these questions with a 'yes', the object should be regarded as **an article consisting of a container/cassette that contains a substance/mixture**. In this case the article is a pure article

and notification of its contents of SVHC and information about its safe use (article 7 (2) and article 33) are required. The contents must be considered a product and the substances present in the product must be registered according to article 6. Examples are: An ink cartridge for a printer, a spray can with paint or a wet wipe with a detergent.

If you are not sure whether to answer yes or no, then proceed to the questions below:

1. If you remove the substance/mixture from the object and use it separately from the object – can the substance/mixture still be used for the intended main purpose of the object?
2. Does the object have any other main purpose than to deliver/release a substance/mixture?
3. Is the object disposed of together with the substance/mixture at the end of the product life?

If you can answer all these questions with a 'yes', the function of the object is determined by its physical properties shape, design, and surface more than by its chemical composition. The object should be considered **an article containing a mixture of substances (preparation) as an integral part but as a part that is not intended for release**. In this case the article is a pure article and notification of its contents of SVHC and information about its safe use (article 7 (2) and article 33) are required. An example is a thermometer.

The table below shows some examples of objects and states which obligations the importer has towards REACH. This guidance **only** deals with the last column to the right: "Notification according to article 7(2) and information required according to article 33". The column is highlighted in green.

Object	REACH requirement (EC No. 1907/2006)		
	Registration according to article 6 ¹⁶	Registration according to article 7.1 ¹⁷	Notification according to article 7(2) and information required according to article 33 ¹⁸
Printer cartridge, writing material	X (the ink)		X (cassette, container)
Spray can with paint	X (the paint)		X (can)
Self-adhesive tape that releases substances	X (the released substance(s))		X (the underlying strip)
Self-adhesive tape			X
Car tyres			X
Fragranced eraser		X	
Nappy with lotion		X	
Battery			X
Thermometer			X
Fireworks	X (the powder)		X (container)
Wet wipes with detergent	X (the detergent)		X (the wet wipe serves as a container)
Soap bubbles	X (the soapy water)		X (container)
Lunch box			X
Vacuum jug			X
Toy sword			X
Books/folders			X
Child seats			X
Shower curtain			X

¹⁶ Objects consisting of a cassette/container, which holds a mixture of substances (chemical product in a container)

¹⁷ Object that contains substances intended for release

¹⁸ Article or object containing a mixture of substances (preparation) that form an integral part but are not intended for release

7 APPENDIX 2: CANDIDATE LIST AND ANNEX XIV

Substances of Very High Concern (SVHC), as listed on the candidate list, are found among those substances that are considered carcinogenic, environmentally harmful or endocrine disrupting. The definition of SVHC appears from the REACH regulation (EC no. 1907/2007) article 57.

The latest version of the **candidate list** is available at the website of the European Chemicals Agency:

http://echa.europa.eu/chem_data/candidate_list_table_en.asp.

The latest recommendations to **Annex XIV** with the associated reports are available at:

http://echa.europa.eu/consultations/authorisation/draft_recommendations/prioritisations_en.asp

The following information is intended as a help for the importer to “interpret” the candidate list and discover which substances he shall look for and in which articles. The first survey (paragraph 9.1) briefly explains the possible uses of the substances. The second survey (paragraph 9.2) may namely be of help when ordering a test. The surveys are intended as guides and are not exhaustive.

7.1 Potential uses of the substances

Candidate list

http://echa.europa.eu/chem_data/candidate_list_table_en.asp

(Substances printed in bold types have been prioritised for authorisation in Annex XIV 1 June 2009)

Kemisk stof (DA)	Chemical substance (EN)	CAS no.	EC no.	Fields of use
Antracen	Anthracene	120-12-7	204-371-1	Persistent (not readily degradable), bioaccumulative (accumulate in live tissue), and toxic (PBT) The substance is used in pyrotechnical products and products containing coal tar. It is present in roofing felt, rubber tyres, other rubber products, and impregnated wood.
Triethyl arsenat	Triethyl arsenate	15606-95-8	427-700-2	Carcinogenic (Carc1) The substance is used by the electronics industry for semiconductors in integrated circuits.
4,4'-Diaminophenylmethan	4,4'-Diaminodiphenylmethane (MDA)	101-77-9	202-974-4	Carcinogenic (Carc2) The substance is used as a precursor. It is used as a hardener in epoxy resin and as binding agent in plastics and glue.
Dibutylphthalat	Dibutylphthalate (DBP)	84-74-2	201-557-4	Toxic for reproduction (Rep2) The substance is used as a plasticizer and solvent, mainly in PVC plastics. It is present in glue, raw materials for dyes, plastics, rubber, joint fillers, and sealing compounds, dyes, paints, printer's ink, binding agents, plaster. Small quantities are also used in cosmetics and nail varnish.
Cobolt dichlorid	Cobalt dichloride	7646-79-9	231-589-4	Carcinogenic (Carc2) The substance is used by the military for the manufacture of humidity indicator cards.
Diarsen pentoxid	Diarsenic pentaoxide	1303-28-2	215-116-9	Carcinogenic (Carc1) The substance is used in wood preservatives and for metallurgic purposes (e.g. to harden copper, lead, and gold). It is also used as bleach in glass and in the production of special glass.

Kemisk stof (DA)	Chemical substance (EN)	CAS no.	EC no.	Fields of use
Diarsen trioxid	Diarsenic trioxide	1327-53-3	215-481-4	Carcinogenic (Carc1) The substance is used as clarifier and bleach in the production of glass and enamel. It is used in the production of special glass and lead crystal. It is used in alloys (lead and copper, e.g. for battery plates and ammunition). The substance may occur as preservative in imported wood.
Natrium dichromat, dihydrat	Sodium dichromate	7789-12-0 / 10588-01-9	234-190-3	Carcinogenic (Carc2), mutagenic (Mut2) and toxic for reproduction (reducing male and female reproductive ability) (Rep 2) The substance is used for the finish of metal surfaces (surface treatment agent for metal and galvano-technical products)
Musk xylen	5-tert-butyl-2,4,6-trinitro-m-xylene (musk xylene)	81-15-2	201-329-4	Very persistent and very bioaccumulative (vPvB) The substance is used as a fragrance or to enhance a fragrance in a fragrance mixture for detergents, fabric softeners, air fresheners, and other household products. It is also used in cosmetics and metal polishing agents.
Bis(2-ethylhexyl)phthalat (DEHP)	Bis(2-ethylhexyl)phthalate (DEHP)	117-81-7	204-211-0	Toxic to reproduction (Rep2) The substance is used as a plasticizer in PVC plastics. It is present in floorings in houses, wallpaper, cables, wrapping film, plastic tissue, toys, articles for children, textiles (e.g., textile print, waterproofs), car products, wellingtons, shower curtains, oilcloths, products made from imitation leather, etc. It is also used in pharmaceutical equipment like drips and blood bags.
Hexabromocyclo-dodecan (HBCDD)	Hexabromocyclodo-decane (HBCDD)	25637-99-4 / 3194-55-6	247-148-4/221-695-9	Persistent, bioaccumulative, and toxic (PBT) The substance is used as a flame retardant. The main field of use is in styrene-based polymers that are further processed into sundry end products (primarily insulating plates, packaging material, electric/electronic appliances). The substance is also used as a flame retardant in textiles, primarily for furnishings and cars.
Alkaner, C10-13, chloro (Kort kædede chlorerede paraffiner)	Alkanes, C10-13, chloro (SCCP)	85535-84-8	287-476-5	Persistent, bioaccumulative, and toxic (PBT) and very persistent and very bioaccumulative (vPvB) The substance is mainly used as a flame retardant and/or plasticizer. The substance is processed into sundry preparations (rubber, paint, sealing compound). These preparations are either further processed into articles (high density conveyor belts for mines, back coating of textiles) or used directly in the end products (sealing compound, paint, cutting oil, lubricants). It is also used as a raw material in plastics.

Kemisk stof (DA)	Chemical substance (EN)	CAS no.	EC no.	Fields of use
Bis(tributyltin)oxid (TBTO)	Bis(tributyltin)oxide (TBTO)	56-35-9	200-268-0	Persistent, bioaccumulative, and toxic (PBT) The substance is mainly used as a precursor in the production of other chemicals. The substance can occur as a preservative in imported articles like textiles, paper, leather, rubber, and polymeric material.
Bly hydrogen arsenat	Lead hydrogen arsenate	7784-40-9	232-064-2	Carcinogenic (Carc1) and toxic for reproduction (Rep1) The substance has previously been used as a pesticide. It is no longer used in the EU.
Benzyl butyl phthalate	Benzyl butyl phthalate (BBP)	85-68-7	201-622-7	Toxic for reproduction (Rep2) The substance is used as a plasticizer in PVC plastics. It is present in floorings in houses, wallpaper, cables, wrapping film, plastic tissue, toys, articles for children, textiles (e.g., waterproofs), glue, and car products. The substance can also be processed into preparations like, e.g. printer's ink, binding agents, sealing compound, and paint.

7.2 List of potential presence of the substances - for testing purposes, etc.¹⁹

CAS-number	Substance
Wood	
120-12-7	Anthracene
1303-28-2	Diarsenic pentaoxide
1327-53-3	Diarsenic trioxide
Metal	
7646-79-9	Cobalt dichloride
1327-53-3	Diarsenic trioxide
7789-12-0/10588-01-9	Sodium dichromate
Textile	
101-77-9	4,4-Diaminodiphenylmethane (MDA)
84-74-2	Dibutylphthalate
7646-79-9	Cobalt dichloride
81-15-2	Musk xylene (5-Tert-butyl-2,4,6-trinitro-m-xylene)
117-81-7	Bis(2-ethylhexyl)phthalate (DEHP)
25637-99-4/3194-55-6	Hexabromocyclododecane (HBCDD)
85535-84-8	Alkanes, C10-13, chloro (short-chain chlorinated paraffins SCCP)
56-35-9	Bis(tributyltin)oxide (TBTO)
7784-40-9	Lead hydrogen arsenate
15606-95-8	Triethyl arsenate
85-68-7	Benzyl butyl phthalate
Plastics	
120-12-7	Anthracene
101-77-9	4,4-Diaminodiphenylmethane (MDA)
84-74-2	Dibutylphthalate
7646-79-9	Cobalt dichloride
117-81-7	Bis(2-ethylhexyl)phthalate (DEHP)
25637-99-4/3194-55-6	Hexabromocyclododecane (HBCDD)
85535-84-8	Alkanes, C10-13, chloro (short-chain chlorinated paraffins, SCCP)

¹⁹ The list was compiled by Eurofins A/S.

CAS-number	Substance
56-35-9	Bis(tributyltin)oxide (TBTO)
7784-40-9	Lead hydrogen arsenate
15606-95-8	Triethyl arsenate
85-68-7	Benzyl butyl phthalate
Paper	
7646-79-9	Cobalt dichloride
56-35-9	Bis(tributyltin)oxide (TBTO)
Glass	
1303-28-2	Diarsenic pentaoxide
1327-53-3	Diarsenic trioxide
7789-12-0/10588-01-9	Sodium dichromate
7784-40-9	Lead hydrogen arsenate
15606-95-8	Triethyl arsenate

8 APPENDIX 3: TEMPLATE FOR SUPPLIER'S DECLARATION

This chapter shows templates of an accompanying letter and a supplier's declaration. Importers are free to tailor the documents to their own needs.

8.1 Draft wording of an accompanying letter

Supplier's Declaration on Substances of Very High Concern in articles, cf. REACH Regulation, EC 1907/2006

Pursuant to legislation, we must make sure that our suppliers meet the obligations arising from the REACH regulation. This request should therefore be considered part of our continuous supplier/customer dialogue, which is a natural consequence of the new legislation.

As described in the REACH regulation, certain requirements have been made on documentation concerning Substances of Very High Concern in articles. For that reason, we must ask (supplier) to state, whether the articles (company) buys from you contain Substances of Very High Concern, and in the affirmative, in which quantities.

If we don't get the information from (supplier), it is not possible for (company) to place the product(s) on the market inside the EU according to the REACH Regulation: "No data, no market".

Should you not have all the information needed to complete the declaration, you can consult the relevant legislation referred to in the declaration.

If various tests of the product have already been conducted and presented through test reports or other forms of documentation, then please enclose a copy of these reports with this declaration.

We might possibly contact you again, as part of our supplier/customer dialogue, should we need further information.

Should you have any queries about the declaration, please, do not hesitate to contact us. Please, return the declaration to us by 2009.

Kind regards,

XXXXXXXXXX

8.2 Draft wording of supplier's declaration

Supplier's declaration for articles purchased from non-EU countries

REACH and substances of very high concern (SVHC),
regulation (EC) No. 1907/2006

1. THE ARTICLE

The supplier is invited to enclose any documents (e.g. laboratory tests and reports) that notify us of the presence/absence of SVHC. However, such documents do not replace this specification, which must always be completed by the supplier.

If the supplier declares that no SHVC are used in any of the items sold to (*company*), one declaration will cover all assortments, different colours, and designs.

1.1 Article name and number:	
1.2 Article description:	
1.3 Supplier's name:	
1.4 Definition of the article vs. REACH:see note 20	An article <input type="checkbox"/> An article with substances intended to be re-leased <input type="checkbox"/> A preparation (both in a container or not) <input type="checkbox"/> Comments:

²⁰ Find definitions in: Regulation (EC) No 1907/2006, Article 3 (page 53-54). Links to further information:
<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2006:396:0001:0849:EN:PDF>
<http://echa.europa.eu/>

2. THE PACKAGING

According to the REACH regulation the packaging is considered an article itself. If the imported articles are wrapped in, for example, plastic material, the content of SVHC in this packaging material would have to be assessed separately. Therefore, it is important to fill out the table below if the article is wrapped.

2.1 Packaging name:	
2.2 Description of packaging material:	
2.3 Supplier's name:	

3. (*Company*) requirement for substances included in the REACH candidate list of Substances of Very High Concern (SVHC)

(*Company*) will not accept the presence of substances included in the REACH candidate list in products or packaging without a prior evaluation in each individual case.

Products or packaging containing one or more of the substances included in the REACH candidate list are subject to written authorisation, before such products can be registered with and sold to (*company*).

Before (*company's*) authorisation of such products or packaging, the supplier must submit full data concerning the amount and concentration of the substance(s) in question.

4. USE OF SUBSTANCES (SVHC) IN THE ARTICLE OR PACKAGING MATERIALS²¹

Even if the supplier estimates that exposure to health or environment can be excluded during normal or reasonably foreseeable conditions of use, the use of substances must be listed. (Company) wants to specify any use of SVHC regardless of exposure level.

Note that the packaging is considered an article itself.

<p>A. Is the article listed in part 1 as containing SVHC from the candidate list issued by ECHA (European Chemicals Agency)?</p>	<p>No <input type="checkbox"/> Yes <input type="checkbox"/> above 0.1% (w/w)</p> <p><u>Comments:</u></p>
<p>B. Is the packaging material listed in part 2 as containing SVHC? (Obligations are the same as for the articles).</p>	<p>No <input type="checkbox"/> Yes <input type="checkbox"/> above 0.1% (w/w)</p> <p><u>Comments:</u></p>

4.1 If your answer to part A is “yes”, all SVHC substances in the article must be specified. If your answer to part A is “no”, go to part 5. Documentation must be forwarded on request.

Chemical name/CTFA name/INCI name/International abbreviation	CAS no.	EC no.	In which component(s) are the SVHC present?	Weight %	Weight of the component in the article	State use and function of component (solvent, dye, preservative, softener, additive, other)

²¹ Regulation (EC) No 1907/2006, Article 57 and 59. Find the list of SVHC (candidate list): http://echa.europa.eu/chem_data/candidate_list_table_en.asp.

4.2 If your answer to part B is “yes”, all SVHC in the packing materials must be specified. If your answer to part B is “no”, go to part 5. Documentation must be forwarded on request.

Chemical name/CTFA name/INCI name/International abbreviation	CAS no.	EC no.	In which component(s) are the SVHC present?	Weight %	Weight of the component in the packaging	State use and function of packaging and function of component (solvent, dye, preservative, softener, additive, other)

4.3 Information about safe use to consumers on request ²²

If there is any SVHC present in the article or the packaging, the supplier must determine whether safety information is required (consider how the article is used, which exposures and risks are relevant). If it is relevant the supplier must provide information to the consumer to ensure safe use.

Is information to guide consumer about safe use necessary?
 No Yes

If yes, please state safety information:

Examples could be: Contains substance X, which is harmful to environment or health. Keep out of reach of small children. Handle waste as hazardous waste.

4.4 Registration and notifications of substances ²³

Are the listed SVHC within the scope of Regulation (EC) No. 1907/2006, Article 7 (3): “Exposure (health/environment) can be excluded during normal or reasonably foreseeable conditions of use”?

No
 Yes

If yes, documentation for “no exposure” must always be completed and forwarded on request.

²² Regulation (EC) No. 1907/2006, Article 33 (2)

²³ Regulation (EC) No. 1907/2006, Article 7 (3)

5. SUPPLIER'S SIGNATURE

The undersigned supplier to (*company*) guarantees that the information given in this Declaration is correct.

Changes in the product data given in the Declaration must be agreed with and approved by (*company's*) Quality Assurance Division in advance, and a new Declaration (including new documentation, if possible) must be completed and forwarded.

(*Company*) reserves the right to use the information in this Declaration as a basis for documentation towards the authorities, for product labelling, for consumers' requirements according to article 33, and to demand further documentation. The undersigned supplier to (*company*) accepts this.

Supplier's full formal name: _____

REACH contact person: _____

E-mail of contact person: _____

Phone of contact person: _____

Signature: _____

Date: _____

9 APPENDIX 4: CALCULATION OF CONCENTRATIONS OF SVHC

When deciding whether to prepare a notification or information about safe use, the importer has to establish whether the concentration of a SVHC is >0.1% in each sub-component of the imported article²⁴. Compilation of data is described in chapter 5 and appendix 3.

Once data have been compiled, it must be established whether the amount of SVHC in all imported articles exceeds 1 t. The examples below show

- how you can determine the **concentration** of a SVHC in one article,
- how you can determine the **total amount** of the SVHC in several articles.

Determining the concentration of one particular SVHC in the same article

The 0.1% concentration limit applies to **all** single sub-components of the article. Consequently, the concentration of each single SVHC must be determined for all sub-components.

The concentration is determined by this formula:

$$\text{Concentration (SVHC(\%))} = \frac{\text{Amount of one particular SVHC (g)} \times 100}{\text{Weight of sub - component in entire article (g)}}$$

Example 1: Sub-components of a TV set – no sub-component contains >0.1% of the same SVHC.

An importer imports sub-components for a TV set; the sub-components origin in non-EU countries. The importer has been informed that none of the sub-components contain SVHC in amounts of >0.1%. Thus, the complete TV set will not contain more than 0.1% of the SVHC either.

Conclusion: No action is required from the importer.

Example 2: Children's table – the amount of SVHC is stated as a weight (g or kg) in the sub-components – in which concentra-

²⁴ Denmark, Austria, Belgium, France, Germany, and Sweden do not consent to the Commission's interpretation of the way the 0.1% is to be calculated in the case of complex articles that are composed of different sub-components. The Danish Environmental Protection Agency has decided that calculations shall be based on the individual sub-components of an article, not on the **final** article, see appendix 4. The comments of the six countries are quoted in "Dissenting views" on ECHA's website.

tions is the substance present in the sub-components? Will notification and information about safe use be necessary?

A small children's table is imported. The importer is informed that the wooden part contains 10 mg of a **SVHC**. The wooden part weighs 2 kg. Besides, some details of the table are made from plastic. The weight of the **same SVHC** in the plastic is 2 mg. The plastic has a weight of 1 g. The table is lacquered, and the lacquer contains 1.5 mg SVHC and weighs 1 g. The total number of annually imported children's tables is 2,000.

The concentration of SVHC in the sub-components is determined by this formula:

$$\text{Concentration (SVHC)} = \frac{\text{Amount of SVHC} \times 100}{\text{Weight of sub - component in the article}}$$

$$\text{Concentration (SVHC, wood)} = \frac{0.01\text{g} \times 100}{2000\text{g}} = 0.0005 \% (<0.1 \%)$$

$$\text{Concentration (SVHC, plastic)} = \frac{0.002\text{g} \times 100}{1\text{g}} = 0.2\% (>0.1\%)$$

$$\text{Concentration (SVHC, laquer)} = \frac{0.0015\text{g} \times 100}{1\text{g}} = 0.15\% (>0.1\%)$$

Conclusion: In this case the importer has to provide information about safe use (article 33) of the table, because the plastics and wooden components contain >0.1% of a SVHC. Notification (article 7(2)) is not required because:

$$\text{Total amount (SVHC, plastics)} = \frac{0.2 \% \times 0.002 \text{ g}}{100} = 0.000004 \text{ g}$$

$$\text{Total amount (SVHC, laquer)} = \frac{0.15\% \times 0.0015}{100} = 0.00000225\text{g}$$

2,000 tables in total: $2,000 \times (0.000004 + 0.00000225) = 0.0125 \text{ g} (<1 \text{ t/year})$

Therefore, notification of the SVHC is not required.

(The above example shows that the concentration of SVHC in the wooden part is <0.1%. Therefore, the wooden component needs not be included in the total amount of SVHC.)

Note: The same calculation is made for all SVHC present in the table.

Example 3: Vacuum jug – the amount of SVHC is stated as a weight percentage in the sub-components. Will notification and information about safe use be necessary?

A vacuum jug is imported. The importer is informed that the metal part of the vacuum jug contains 0.09% of a **SVHC**, and the plastics part contains 1.8% of **the same SVHC**. The metal part weighs 1 kg and the plastic part weighs 100 g. The total number of annually imported vacuum jugs is 200,000.

The importer must provide information on safe use of the vacuum jug (article 33), because the plastic part contains >0.1% of a SVHC.

Notification (article 7(2)) of the SVHC is not required because:

$$\text{Total amount SVHC} = \frac{0.09 \times 1000 \text{g}}{100} + \frac{1.8 \times 100 \text{g}}{100} = 2.7 \text{ g}$$

Total: 2.7g x 200,000 = 540,000 g = 0.54 t (less than 1 t/year)

Note: The same calculation has to be made for all SVHC present in the vacuum jug.

9.1 Determining the quantity of SVHC in several articles

Quite frequently several different articles are imported that may all contain the same SVHC. In order to establish whether the Agency shall be notified of the SVHC, it is necessary to calculate the total amount of the substance that the importer imports annually in all articles.

The amount is calculated by this formula:

Amount of SVHC in one article (M_{SVHC}):

$$M_{\text{SVHC}} (\text{g/year}) = \frac{\text{Conc. (SVHC) in the article part (\%)} \times \text{weight of article part (g)} \times \text{total no. of articles/year}}{100}$$

The total amount is:

Total M_{SVHC} (t/year) = ΣM_{SVHC} (t/year) of each type of article

Example 4: Several articles – total amount (g or kg) of the SVHC

A company imports the following goods:

- 50,000 vacuum jugs with each 0.11% of the SVHC in the metal part that weighs 1,100 g
- 80,000 plastic jugs with each 0.08% of **the same SVHC**, each plastic jug weighs 300 g
- 70,000 candlesticks (metal) with each 1.9% of **the same SVHC**, each candlestick weighs 800 g

The above example shows a concentration of <0.1% of the SVHC in the plastic jugs. Therefore, the plastic jugs are not to be included in the total amount of the SVHC.

Vacuum jugs: $M_{\text{SVHC}}(\text{g/year}) = ((0.11\% \times 0.01) \times 1100\text{g}) \times 50000 = 60500$
g/year = 0.0605 t/year

Candlesticks: $M_{\text{SVHC}}(\text{g/year}) = ((1.9\% \times 0.01) \times 800\text{g}) \times 70000 = 1064000$
g/year = 1.064 t/year

Total M_{SVHC} (t/year) = 0.0605 t/year + 1.064 t/year = 1.1245 t/year, which is > 1 t/year

Conclusion: Notification is required of the SVHC present in the vacuum jugs and the candlesticks, and the importer must provide information about their safe use, cf. paragraph 4.5.3.

9.2 Template for the continual registration and calculation of the quantity of SVHC

The example below shows how a company can continually calculate the amounts of each single SVHC. A table is made in an Excel spreadsheet for each SVHC, or the company can devise/buy its own software for automatic transfer of data from the company's other systems.

Be aware that the amount of SVHC must either be stated in g (as an average for the entire article) or as an average weight percentage.

10 APPENDIX 5: NOTIFICATION OF SVHC

For substances included on the candidate list before 1 December 2010, the notifications have to be submitted to the Agency no later than 1 June 2011. For substances included on the candidate list after 1 December 2010, the notifications have to be submitted to the Agency no later than 6 months after the inclusion²⁵.

A notification to the Agency shall include the following information about every product that contains the substance²⁶:

- a) Manufacturer's or importer's identity and contact information
- b) Registration number of the substance if available from the Agency
- c) Identity of the substance:
 - Name of each substance or other kind of identification
 - Name(s) in the IUPAC nomenclature or other international chemical name(s)
 - Other names (trivial name, trade name, abbreviation)
 - EINECS- or ELINCS-number (if available and appropriate)
 - CAS-name and CAS-number (if available)
 - Other identification code (if available)
 - Information about molecular and structural formulae for each substance
 - Molecular and structural formulae (including Smiles Notation, if available)
 - Information about optical activity and typical share of (stereo)isomers (if relevant and appropriate)
 - Molecular weight and molecular weight interval
 - Composition of each substance
 - Purity (%)
 - Types of impurities, including isomers and by-products
 - Percentage of the most important (essential) impurities
 - Type and size (..... ppm, %) of additives, if any (e.g. stabilizers or inhibitors)
- d) Classification of the substance(s)
- e) Brief description of the use(s) of the substance(s) in the article
- f) Quantity intervals of the substance(s), e.g. 1-10 t, 10-100 t, etc.

²⁵ See ECHA's press release:
http://echa.europa.eu/doc/press/pr_08_39_candidate_list_rev_20081104.pdf

²⁶ REACH regulation (EF No. 1907/2006) article 7(4) and appendix VI

11 APPENDIX 6: REACH DICTIONARY

This appendix gives definitions of a number of terms that are frequently used in connection with REACH. See also the definitions in article 2 of the regulation.

The Agency:

In 2008, the European Chemicals Agency (ECHA) was founded in Helsinki. ECHA is among other things in charge of the practical handling of registrations as well as assessment of test proposals and checking whether registrations comply with requirements. ECHA is also in charge of the day-to-day administration of the authorisation scheme and the preparation of guidances to industry and authorities, etc.

Registration, notification (of substances of very high concern in articles):

Manufacturers and importers of articles that contain substances of very high concern (SVHC), i.e. substances that are candidates for the authorisation scheme, shall notify the Agency of these substances, if they are present in the articles in amounts of more than 1 t per manufacturer per year and in a weight concentration exceeding 0.1%.

Use:

Any processing, formulation, consumption, storage, keeping, treatment, filling into containers, transfer from one container to another, mixing, production of an article or any other utilisation; Article 3 (24)

Restriction of use:

Any condition for or prohibition of the manufacture, use or placing on the market; Article 3 (31)

Article:

An object which during production is given a special shape, surface or design which determines its function to a greater degree than does its chemical composition; Article 3, (3)

Producer of an article:

Any natural or legal person who makes or assembles an article within the Community; Article 3 (4)

Supplier of an article:

Any producer or importer of an article, distributor or other actor in the supply chain placing an article on the market; Article 3 (33)

Recipient of an article:

An industrial or professional user, or a distributor, being supplied with an article, but does not include consumers; Article 3 (35)

Distributor:

Any natural or legal person established within the Community, including a retailer who only stores and places a substance on the market, on its own or in a preparation, for third parties; Article 3 (14)

Downstream user:

Any natural or legal person established within the Community, other than the manufacturer or the importer who uses a substance, either on its own or in a preparation, in the course of his industrial or professional activities. A distributor or a consumer is not a downstream user. A re-importer is exempted pursuant to Article 2 Part 7 paragraph (c) shall be regarded as a downstream user.

End user:

End user

Phase-in substances/Existing substances:

A substance which meets at least one of the following criteria:

(a) it is listed in the European Inventory of Existing Commercial Chemical Substances (EINECS);

(b) it was manufactured in the Community, or in the countries acceding to the European Union on 1 January 1995 or on 1 May 2004, but not placed on the market by the manufacturer or importer, at least once in the 15 years before the entry into force of this Regulation, provided the manufacturer or importer has documentary evidence of this;

(c) it was placed on the market in the Community, or in the countries acceding to the European Union on 1 January 1995 or on 1 May 2004, before entry into force of this Regulation by the manufacturer or importer and was considered as having been notified in accordance with the first indent of Article 8(1) of Directive 67/548/EEC, but does not meet the definition of a polymer as set out in this Regulation, provided the manufacturer or importer has documentary evidence of this; Article 3 (20)

These substances shall be registered by 1 December 2010, 1 June 2013 or 1 June 2018, depending on their properties and the amounts produced/imported. See also the definition in article 2 of the regulation

Authorisation scheme:

The regulation specifies the criteria for being categorised as particularly problematic. The Agency keeps an updated a list of substances that meet these criteria and are thus candidates for the authorisation scheme. From this candidate list the substances are transferred to a list of substances that are subject to authorisation before they may be used.

Identified use:

Use of a substance on its own or in a preparation or use of a chemical product aimed at by a player in the supply chain, including if this player uses it himself, or of which he has been notified in writing by a direct downstream user. See article 3 of the regulation.

See article 3 of the regulation regarding physical import into the EU tariff area.

Importer:

Any natural or legal person established within the Community who is responsible for imports; Article 3, (11)

Placing on the market:

Supplying or making available, whether in return for payment or free of charge, to a third party. Import shall be deemed to be placing on the market; Article 3 (12)

The Chemicals Agency:

See the Agency.

Chemical substance:

A chemical element and its compounds in the natural state or obtained by any manufacturing process, including any additive necessary to preserve its stability and any impurity deriving from the process used, but excluding any solvent which may be separated without affecting the stability of the substance or changing its composition; article 3,1)

Chemical product:

A mixture or a solution that is composed of two or more substances (article 3 of the regulation). A chemical product may be solid, liquid or gaseous. A chemical product is often referred to as a "preparation".

Chemical safety report (CSR):

A document that gives the industry a tool with which they can prove that they only use chemicals in a safe manner. If the tonnage of a substance exceeds 10 tonnes per year for a manufacturer or an importer, he has to carry out a chemical safety assessment (CSA) and document the assessment in a chemical safety report (CSR).

Chemical safety assessment (CSA):

If the tonnage of a substance exceeds 10 tonnes per year for a manufacturer or an importer, he has to carry out a chemical safety assessment (CSA) and document the assessment in a chemical safety report (CSR). The preparation of this assessment is subject to specific guidelines, but does not require any approval by the authorities. The responsibility for the assessment rests with the company. A CSA can be prepared for one single chemical substance, a chemical product or a group of substances; it shall always include a hazard assessment and suggested classification. Reports on substances that are hazardous according to the classification criteria or which are considered SVHC shall also include an exposure assessment with exposure scenario and a risk assessment of the registrant's own use and all identified uses at downstream users. Moreover, it shall include recommendations for actions in respect of handling any identified risks (see appendix 1 of the regulation).

The Commission:

The European Commission

<http://ec.europa.eu/environment/chemicals/index.htm>

Supplier of a chemical substance or a chemical product:

A manufacturer, importer, downstream user or distributor who markets a substance on its own or in a preparation or a chemical product (see article 3 of the regulation).

Product data sheet:

See safety data sheet

Marketing:

To deliver or make available to a third party against payment or free of charge. Import is considered a way of marketing (see article 3 of the regulation).

Preparation:

A mixture or solution composed of two or more substances; article 3, 2).

Registrant:

The manufacturer or the importer of a substance or the producer or importer of an article submitting a registration for a substance to ECHA; Article 3 (7).

Safety data sheet:

Compilation of information about the properties of substances and their safe use. They are a traditional means of disseminating safety information downstream the supply chain. REACH assumes the present requirements for safety data sheets. The new directives for preparation of safety data sheets are described in appendix II to the regulation.

REACH is expected to improve the quality of safety data sheets because more data will be included about properties and uses of chemical substances, and this will encourage the exchange of experience between the different links of the product chain. Exposure scenario prepared on the basis of chemical safety reports must be attached as an appendix to the safety data sheets. This is expected to facilitate the use of appropriate risk handling measures. Persons responsible for the marketing of a substance need to prepare safety data sheets for substances and chemical products in compliance with the criteria for classification as hazardous or PBT/vPvB substances.

Note: Safety data sheets are required regardless of quantity.

Substance:

An element or compounds hereof, natural or made industrially, containing such additives as are necessary for maintaining the stability of the substance, and such impurities that result from the manufacturing process, except for solvents that can be separated without impacting the stability of the substance or changing its composition.

Substance on its own or in a preparation or article:

The term shall emphasize that the rule mentioned applies to chemical substances no matter if they occur alone, i.e. as a single substance or as a component in a mixture of several substances (a preparation) or an article.

Substances of very high concern (SVHC):

This term is often used for substances that meet the criteria for being subject to the authorisation scheme, i.e. CMR, PBT, and vPvB substances as well as substances that give rise to the same degree of concern.

12 APPENDIX 7: HOW TO MAKE COOPERATION WITH SUPPLIERS EFFICIENT

This chapter contains considerations, experience, and good advice that will help ensure an efficient cooperation with suppliers. The chapter builds on experience made by a number of companies.

12.1 How does the supplier prepare for REACH?

Good preparations make it easier to meet REACH provisions. Experience shows that it might be a good idea to plan the following:

Who should be involved?

Many people or functions in the company will either have direct contact with suppliers or take decisions that affect suppliers. Therefore, the company should make sure that all relevant people/functions are involved in the REACH planning “to the proper extent and in due course”.

Working with REACH also involves the company management. Due to the consequences REACH has on market and business, the management needs to familiarize themselves with the strategic and market decisions they have to take because of the new legislation. In brief, the decisions shall ensure a “license to operate” in the market in the years to come. The management also needs to decide whether the company shall replace those of their suppliers who do not comply with the requirements or how they can ensure suppliers’ compliance with the requirements.

The survey below shows how the different functions in a company can contribute to the REACH efforts²⁷:

Function	Contribution to REACH efforts
Management	Strategic and market-related decisions Specify how important it is that the company acts goal-oriented and efficiently with REACH (a joint affair)
Sourcing	Knows suppliers’ interests and capabilities. REACH requirements must be dealt with in agreements in line with prices and deadlines. Sourcing must be prepared to ask and answer questions about REACH.
Product development	May specify requirements to alternative articles.
Production	Knows the requirements of the productive plant and can specify requirements to alternative articles.
Sales/marketing	Knows customers’ demands and can compile and disseminate

²⁷ Source: “Dialogue with Suppliers on the Environment”, Danish Environmental Protection Agency, *Miljønyt* no. 48, 2000

Function	Contribution to REACH efforts
	future market requirements. Sales must be prepared to ask and answer questions about REACH.
Logistics	May specify requirements for packaging.
Environment	Knows REACH requirements and may undertake the necessary calculations and collect documentation.
Quality	Often takes part in the approval of new suppliers and can specify the REACH requirements. Is often responsible for the REACH efforts. In a company without a quality function, this responsibility usually rests with the sourcing department.
Finances	Can render direct and indirect costs for different articles visible.

It can be an advantage for the company to appoint a cross-organisational project committee to handle organisational matters like coordination and knowledge sharing.

"We have had good experience with brief in-company processes – a close cooperation between sourcing and product safety can prevent a lot of trouble".

Quality manager with an importer and distributor of furnishings

Many companies benefit greatly from the participation of their REACH responsible employees in networking groups. Most benefit is achieved when the networking participants are not each other's suppliers or competitors.

How do we prepare?

The checklist contains elements that should, as a minimum, be part of your preparations:

Preparatory checklist
Map the scope of the task.
Organise the task (see paragraph above).
Identify the articles that contain substances listed on the candidate list and in Annex XIV (see appendix 2).
Map the available data.
Prepare the dialogue with suppliers: <ul style="list-style-type: none"> - Prepare a supplier's declaration and an accompanying letter (see appendix 3) - Amend contracts and cooperation agreements, if necessary. - Amend your quality manual, if necessary. - Determine calculation methods and spreadsheets (see appendix 4) - Create a database by means of which you can follow up on each individual supplier.
Ensure in-company communication and training – for example, by creating an "FAQ – frequently asked questions from customers and suppliers" on your intranet.

Collect relevant data (supplier's declaration, test).

Follow up on the dialogue with suppliers – including exchange of experience, knowledge sharing and amendment of processes and documents.
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Supplier manual

Many companies have a supplier manual or a quality manual that specifies the general terms of cooperation. The terms apply to all issues from order handling and order confirmation to booking of quality audits, requirements for participation in quality performance meetings, and compliance with product specifications, etc. It would be an advantage to have the manual updated with requirements relevant to REACH.

In control of documents

All orders involve lots of documents. Therefore, it is important that you keep procedures as simple as possible. Likewise, it is important to keep the number of different documents at a minimum, thereby avoiding excess updating and having to keep track of too many documents.

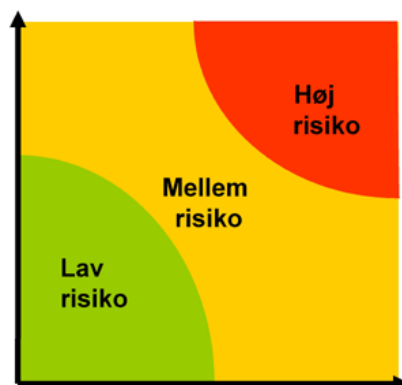
12.2 Risk assessment

Risk assessments are intended to assess whether the information suppliers provide about their articles is true and trustworthy.

The first step of a risk assessment is to obtain a **supplier's declaration** (see appendix 3). The next is to assess whether the information in the declaration is true, because this information will form the basis of further dealings with market, authorities, and customers.

The biggest risk is associated with question 3 in the supplier's declaration, i.e. if the article contains substances on the candidate list, and if the concentration of these substances is below or above 0.1% weight/volume (w/v).

The risk is often associated with the country in which the article is produced. Suppliers may come from countries where there is a big risk that the information provided is questionable. The CSR compass is a guide to conducting risk assessments of your suppliers – a so-called **risk profile**. Likewise, a country profile exists for each single country.



High risk - Medium risk - Low risk

Companies importing via **intermediaries and agents** – without direct contact to the supplier – are recommended, too, to conduct supplier audits as a supplement to the supplier's declaration. Different European certification bodies and laboratories have offices abroad, for instance in China, and can conduct supplier audits.

Risks also depend on the closeness of cooperation between company and supplier. If it is a **regular supplier** which the company has visited and worked with for many years, it will usually just be a matter of having the supplier's declaration incorporated in the day-to-day cooperation.

"We do not make agreements with a great number of new suppliers – we do not have the time and cannot afford risking new ones, so we consolidate instead".

Safety manager with an importer of office supplies

"We estimate how much testing is needed and what the costs are: What does it take for us to say with 95% certainty that Having to conduct a lot of testing is costly, and the market does not allow such costs. Therefore, we divide our imports into large groups and estimate how much testing we are going to do in the single groups – that's simple risk management! Our warehouse workers have a folder that shows how many random samples to take when they unload the vehicles, and we send a fixed number per consignment for testing at Hansekontroll".

Buyer with an importer of safety equipment

The risk will be smaller if a supplier has a certified environmental management and/or quality management system (ISO 14001 or ISO 9001), and if he is certified in accordance with the global social accountability standard (SA 8000). The REACH-related procedures will be firmly structured in connection with these systems and an accred-

ited certification body is following up on them at regular intervals. It is recommended to use globally approved certification bodies.

12.3 Choosing suppliers

Establishing an efficient and trusting relationship with your suppliers is a long-term investment. The benefits are “a shorter list of errors and shortcomings” and faster administrative procedures for obtaining the required documentation or switching over to new products.

“Finding the right suppliers takes skill. We assess them by a wide range of quality requirements: Do they understand us; do they understand the product; do they know how to make an order confirmation; do they observe delivery agreements, etc. It is not easy! We can talk with some of them – with others we can’t talk at all. When we are assessing cooperation, I (the manager) am sometimes travelling with the team so we can separate the roles – leaving me to be “the bad guy”. A visit to the company gives us a good impression of what we are facing!”

Manager of a leisure-gear wholesale company

An importer’s investment in the cooperation with a supplier usually depends on the importance of the supplier:

- Are the products of strategic or critical value and of major financial importance, or is the product available from few sources only, e.g. branded goods. In this case the company depends greatly on the supplier.
- Are the products available from many sources (trendy products or off-the-shelf items)? In this case the company is not very dependent on the supplier.

“We have about 50 suppliers with whom we have been in touch for many years. Ten of these suppliers supply 80% of the products we import. We communicate daily with these core suppliers via Skype. Besides, we meet every year at the CANTON fair; we visit their factories, and the suppliers revisit us in Denmark about every second year. It is important to our assessment that the Chinese factory appears nice and tidy when we visit; that gives us a hint that things are in control. The fact that we have established a relationship of trust with our suppliers means that a great deal of misunderstandings can be avoided, and deliveries are steady and of high quality”.

Manager of a kitchenware wholesale company

“We are importing mainly from a limited number of Chinese suppliers with which we have had good relations for 10-15 years. Contacts are cultivated by personal communication with our manager who visits the factories about once a year, whereas the sourcing department has the day-to-day contact through e-mails. Telephone contact is rather limited as we have experienced this mean of communication to give language and follow-up problems (different understanding of agreements made)”.

Buyer with an importer of safety equipment

Importers' responsibilities are identical whatever the type of supplier or the types of articles they import. Therefore, it may prove advantageous to replace suppliers that the importer does not depend greatly on if they have difficulties complying with REACH. On the other hand it may be a good idea – or even necessary – to invest in the development of competencies of a few selected suppliers on which the importer really depends.

12.4 Dealing with intermediaries and agents

Many importers deal with local intermediaries or agents who will often play a major role in relation to REACH. The role of an intermediary or an agent may develop from being the one who establishes the contact between company and supplier into being the one who makes the agreements, procures documentation, assumes quality control, cooperates with authorities, handles shipping and dispatch, etc.

"We used to handle the contact with our suppliers more through so-called intermediaries. But as suppliers get increasingly western-oriented and the number of English engineers in the factories increases, contacts becomes more and more direct between us and our suppliers. Instead, the intermediaries act as our right-hand men in China. For instance, they are in charge of various inspection activities prior to the transport to Denmark and, against payment, they act as our local experts during our visits to the factories".

Manager of a kitchenware wholesale company

The advantages of using local intermediaries/agents are that they speak the language, they understand the local culture, and have a local network involving manufacturers and authorities. Thus, they can help create a more efficient cooperation in relation to REACH. The companies underline that an efficient cooperation with intermediaries/agents requires that they invest in establishing and cultivating good and close relations, e.g. by way of clear agreements, personal visits to the intermediary/agent, frequent telephone and mail contact, visits to Denmark, exhibition activities, etc.

"We have an agent in China who handles all contact to the suppliers. He has 10-15 employees and is Chinese himself. There are no linguistic or cultural barriers because the agent handles all matters. We attend exhibitions and fairs ourselves looking for new products; from then on the agent handles all contact".

Quality manager with an importer of furnishings

The disadvantages come up usually because the importer has failed to thoroughly check the intermediary's/agent's relations to the ones he works for (whether agent and supplier are relatives and thus have other interests in the business relation than the official ones). Disadvantages may also occur if the parties' understanding of the intermediary's/agent's roles and responsibilities diverges – also the legal responsibility. In relation to REACH this may have the consequence that the importer erroneously believes to have bought a safety that he does not get.

Some companies choose to establish a local office in, for instance, China so they can employ and train local intermediaries/agents themselves.

"We have a small sourcing department and widely use agents. We have an extensive dialogue with agents and suppliers – most of it in writing. We also arrange seminars for the agents. Agents and suppliers are readily giving us feedback ... the agents are the critical point".

Safety manager with an importer of furnishings

12.5 Securing REACH competences at your supplier

Many companies wish to have certain suppliers attached more closely, because cooperation becomes a lot easier, when the parties know each other and commit themselves more to each other.

"It is a benefit that our, mainly China-based, suppliers are often also suppliers to other large-scale Western companies. Thus, the suppliers can inform us of new legal requirements in relation to specific products".

Manager of a kitchenware wholesale company

The more important a supplier is or the more hazardous the substances are, the wiser is it to invest in the development of suppliers' REACH competencies. Instruments may be:

Development of suppliers' competencies

Visits to the supplier in order to create mutual personal relations and assess the level of competencies from personal experience. Furthermore, visits give you the opportunity to get a hands-on impression of the conditions in a company.

Conferences and workshops at the suppliers' premises or in Denmark. The purpose could be to develop competencies, to discuss mutual expectations and procedures and to increase cultural understanding. Any agent or intermediary used by the importer should participate in these events.

Regular telephone or mail contact with the supplier's REACH responsible employees. The purpose is to prevent errors and misunderstandings by close dialogue, information about new activities by the importer so the supplier is ready when new things happen - and able to cope with concrete problems.

Direct mail to the contact persons at the supplier. Here, the importer can brief wider circles about topics that are of relevance to REACH. Keep the message simple; make sure the supplier knows the purpose of the message. Don't forget to write whom the supplier can contact for further information. Refer to website, if relevant.

"Our line of trade is changing from being cost-conscious to being brand-conscious. Gradually as we get more and more exclusive branded goods our customers find it increasingly difficult to accept a risk of ending up with an environmental action. Therefore, we have to make much more stringent demands on our suppliers. We are going to either train them or replace them".

Manager of a leisure-gear wholesale company

12.6 The challenges of meeting different cultures

A decisive factor for obtaining good supplier relations is that you are aware of the cultural differences between Denmark and the suppliers' home countries. Cultural differences have great influence on the way meetings, negotiations; management, feedback, etc. are perceived. This paragraph is based on a number of companies' experience with establishing an efficient cooperation with their suppliers – mainly in China²⁸. China was chosen as an example, because a lot of suppliers of articles origin in China and other Southeast Asian countries. Different issues may be relevant in the cultural relation with other countries.

The following schematic overview describes some of the differences to be aware of between Danish and Chinese cultures.

²⁸ The paragraph is based on 13 interviews with Danish companies as a part of preparing this guidance; the publication *"Challenges of Danish Managers in China"*, by Annabeth Haumann and Tina F. Borg, Narayana Press, 2006; and *"Kulturkurser.dk"* which is a research centre founded by the University of Copenhagen, the National Museum, and The Industrialization Fund for Development Countries (IFU)

Communication and relations

Denmark	China
Direct and open communication in order to reach an agreement and make decisions	Indirect communication in order to uphold and strengthen the harmony of a relation
Deal with and speak openly of conflicts	Avoid and "hide" conflicts
Much dialogue between employees and managers	Top-down information with orders from management to employees
Positive to ask questions in order to ensure that the job is done properly	Hesitate to ask questions out of fear for exposing shortcomings and weaknesses

Hierarchy and management

Denmark	China
Flat organisation with short power-distance between management and employees	Extremely hierarchic structure with long power-distance between management and employees
Criticism and feedback from employees are considered positively as a way of developing the company	Employees never contradict their manager, thereby avoiding that manager and thus the organisation and the person himself lose face
Much delegation and much responsibility assumed by employees	Little delegation – employees have to ask the manager's permission, which may result in a lot of red tape

Culture and success criteria

Denmark	China
Common understanding that we are all doing our very best to promote the company's interests	Losing face is the worst thing that can happen, and one does everything to avoid it happening to oneself, colleagues, company, organisation
It is okay to admit errors	People do not admit errors but bend the truth out of fear of losing face
Corruption is unacceptable	Favours, gifts, kickback, and actual corruption have deep roots in Chinese society
High quality level	Less quality-conscious culture

So what can we do when cultures meet? Some pieces of good advice:

Make sure the message is understood!

- It is a good routine to double-check that a message has really been understood, for instance by formulating questions so they cannot simply be answered with a "yes" or "no", because Chinese people will often choose to give a positive answer: Ask open-ended questions (what, why, how, when, etc.) thereby giving the Chinese an opportunity to elaborate and vary their answers without losing face.

-
- Likewise, it is a good idea to talk to the counterpart alone when difficult subjects come up; this will reduce the risk of losing face in the presence of several people.

"We have made the experience that the Chinese understand things only when they have a very exact roadmap".

Safety manager with an importer of office supplies

Listen to things said and things unspoken!

- Danes have to accept Chinese culture. If we want a good dialogue and wish to achieve results, we have to respect their circuitous messages. Therefore, it is wise to listen to and understand the implicit meaning and downplay the direct meanings of own messages.
- It is wise to create safe settings for a conversation for instance by reducing the number of participants.
- Chinese do not only express themselves in words, but very much so through body language and etiquette. Therefore, it is important that Danes are observant of and try to understand what is said between the lines.

Adapt your language!

- Danes and Chinese alike can have poor English proficiencies. Therefore, you should try to express yourself as simple as possible, both verbally and in writing.
- In many situations it is a good idea to formulate messages like orders rather than questions.

Straight talk and praise pave the way!

- Due to the small extent of delegation Chinese organisations may appear slow and bureaucratic. The clearer you formulate a task and the clearer your guidelines of how to do the job, the easier is it for the individual employee to do the job.
- A good dialogue and praise are excellent means to promote initiative and responsibility.

Take measures to counteract corruption and cheating!

- Dinners, favours, and small gifts may facilitate cooperation, but make sure not to transgress the bounds of what is acceptable in a Danish context.
- Follow-up and checking are necessary to ensure that things don't get out of hand. Therefore, it would be wise to have a

clear code of conduct that describes the up-front business relations.

- Developing a sound relationship with the supplier will also be of great value in this context.

"Sometimes dialogue is conducted through a trader. The contact with traders is not quite as regular, but then again we only deal with them in few cases. Sometimes you get surprised discovering that cousin Mong is a trader..."

Buyer with an importer of safety equipment

Check the quality!

- Quality does not mean the same to the Chinese as it does to Danes. Therefore, it is important that Danish buyers make sure that savings are not rated higher than quality and that quality awareness is guaranteed in the production. If agreements and procedures are clear, it is harder to make errors.

12.7 Assessment of the cooperation with suppliers

Below, a number of recommendations are given as to how you can make regular assessments of the REACH cooperation between importer and supplier.

"We mostly deal with our own subsidiaries but, of course, there are external suppliers, too. In general we make the following demands on our suppliers:

Products must be delivered:

- *In the agreed quality*
- *At the right price*
- *In the quantities ordered, i.e. no less, no more*
- *By the agreed deadline*

Marketing manager with an importer of office supplies

Prioritise which suppliers to assess!

It is hardly necessary to assess all suppliers equally or equally often. You could base your prioritisation on the following parameters:

- Which suppliers contribute with most SVHC in imported articles?
- Which supplies are most frequently incorrect?
- With which suppliers is it most difficult to have a good dialogue?

Select the suppliers you wish to contact and tell them how the assessment will be conducted, e.g. via random sampling, meetings with or visits to the supplier. The scope of the assessment depends on the purpose.

Make a plan!

Carefully consider the following:

- What is the purpose of the assessment? (Is it, for example, to obtain documentation of concrete production conditions or a more general impression of how the supplier deals with REACH provisions)
- What does the importer wish to know? (based on, for instance, the supplier's declaration)
- How is the information to be submitted? (Verbally or in writing, e.g. as test reports, as product data sheets or as a formula)
- Who shall participate in the assessment – which of the importer's and which of the supplier's employees? (It will often be relevant to have both sales and sourcing employees of the importer participate. The supplier could make persons available who are responsible for production and sales.)
- Does the importer want a tour of the supplier's premises? Most meetings take place in a meeting room. A tour will give you better idea of how the supplier manages environmental matters.
- How does the supplier get feedback on the assessment? Depending on the purpose, feedback can be given as a memo or a deficiency list that the supplier can use in his further work.

"We assess our 20 most important suppliers once a year. We forward a questionnaire to all product managers and award 1 to 5 stars, and then we clarify if a supplier has been ranked too low. The sourcing department does the same. The material is compared over the phone with our German and English managers and subsequently an overall "mark" is given. Then we meet with the suppliers and review the assessments. Small suppliers are often replaced by others, but that does not happen so often with the large suppliers".

Manager of a leisure-gear wholesale company

Map the reasons for errors and problems!

In the case of errors or violation of contracts, it is important to ascertain whether the error is due to the supplier's lack of knowledge and competencies or if the problems are due to cultural misunderstandings in the dialogue, e.g. different understanding of quality, responsibility or similar – then make sure that the efforts made to solve the problem correspond to the actual problem.

Be consistent!

The importer must be prepared to accept the consequences of the demands he makes on a supplier. It is important to be aware that the

responsibility towards REACH rests with the importer, so suppliers who do not comply with REACH cannot become approved suppliers.

"It is unrealistic to believe that the suppliers will be proactive all by themselves – we are the ones who specify how we want things to be done".

Manager of a leisure-gear wholesale company

If the importer engages in a dialogue with the supplier in order to have the supplier meet the requirements, clear agreements ought to be made about the time the supplier has to remedy an unacceptable situation so that the importer can ensure documentation to the authorities.

13 APPENDIX 8: HANDLING OF CONSUMERS' EXPECTATIONS

REACH increases awareness among consumers about the handling of SVHC. This chapter contains good advice to importers about designing their communication, internal and external, about these matters.

Development of society, globalisation, and new social media increasingly challenge companies' ways of communication. Previously, communication could be controlled in-house; by now, expectations to companies have increased a lot and ask for deep insight, transparency, and dialogue.

"Knowing specific legal requirements and being able to debate them in a trustworthy manner are definitely seen as sales parameters by our customers. Our customers, i.e. companies within retail and lifestyle businesses, do not want to be exposed as companies that sell hazardous products".

Manager of a kitchenware wholesale company

It does not take long time for a company to be exposed to critical interest. Just take Facebook as an example: In only a few days a fast growing Facebook group can be the reason why a specific subject reaches the front page of the newspapers.

Another example is from Germany where environmental organisations use pre-printed Go-cards (postcards which are freely available in cafés and other public places), which merely have to be completed with the company's name and sent if you wish to denounce a company that does not live up to the REACH legislation. Most recently, a number of consumer organisations have entered into cooperation with the purpose of increasing consumers' awareness about their rights in relation to REACH²⁹.

Development in relation to REACH means that the consumers will expect that the company has people employed who are easily contacted and who have the required knowledge to answer questions about the use of SVHC. Consumers will often expect that the company does more than required by legislation. Therefore, the importer needs to have a communication strategy, i.e. determine the extent of openness and proactiveness. That can be done by answering the following questions as a part of the communication strategy:

- Do we merely wish to meet legal requirements?

²⁹ See The Health and Environment Alliances' website: <http://www.chemicalshealthmonitor.org/spip.php?rubrique111>

- Do we want to have a CSR (Corporate Social Responsibility) profile?
- How do we handle internal and external communication best if we wish to be proactive?
- Who are the main interested parties in relation to REACH, and through which media can they best be reached?
- Where do we face a risk of criticism and how do we handle a possible crisis – who shall be allowed to make statements and what do we say?

"If we have to take back a series of products this will not only cause bad will with the press and with customers. It also involves great logistics expenses".

Buyer with an importer of safety equipment

Good advice on proactive communication with external interested parties

Draw up a corporate social responsibility policy that describes precisely and in brief how the company intends to relate to REACH (or more widely to environmental matters/social responsibility).

A clear code of conduct will be an important element in relation to cooperation with suppliers and as documentation of the efforts made in connection with REACH.

Map critical and vulnerable areas of the company in relation to REACH: Do you sell articles that may be harmful to the environment? Do you sell articles to target groups that are particularly aware hereof, e.g. children's toys? Are there any particular circumstances that could arouse negative attention in the future?

Create a helpdesk to deal with requests: Who is responsible for the area? Who is allowed to make statements? Prepare a survey of frequently asked questions and answers, and a "What do we say".

Communicate! Publish your environmental policy on your website - and briefly explain precisely what you do to act responsibly – publish it in your annual report, in product catalogues, leaflets, and any relevant printed matter.

A good reputation as a responsibly acting company may also help attract personnel.

Good advice on proactive communication with interested parties in-house

Train and educate! Prepare the up-front personnel so they can handle the dialogue with consumers in the store. This will strengthen customers' experience, thus also the company's reputation.

Additionally, it will increase your employees' feeling of safety, satisfaction, and wellbeing at the job.

Communicate! Make sure that all managers and employees have sufficient knowledge of REACH and of the corporate social responsibility policy to engage in the dialogue with external interested parties.

For many employees it will be sufficient if you simply publish REACH and company policies on your intranet so they can review it.

Danish companies must be prepared for consumers' growing interest in REACH concurrently with the spread of knowledge about the legislation. One of the most important tasks will be to provide precise and intelligible information showing which substances are actually covered by the legislation and, subsequently, explain how the company intends to deal with these legal requirements.

A media crisis triggered by REACH issues may at worst be detrimental to the company's image and thus generate mistrust among customers, personnel, investors, and other business associates. Therefore, investments in sound in-company and external communication will be worthwhile as an important part of the way you implement REACH.