CEPE

ANNUAL REPORT 2016

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Dear Reader,

When in July the meetings season becomes slow for the CEPE staff it is time to write the articles for CEPE's annual report. Although working against a deadline gives some pressure it is at the same time for all of us who write their contribution an encouragement to see how much has been done in the year past. On average the CEPE staff organizes anywhere between 80 to 100 meetings per year and through the constructive involvement of the participants in those meetings we are able to report the progress as laid down in this annual report.

THE EU MARKET

2015 was a relative positive year for the paint industry. Although the picture of volume developments was somewhat mixed. Deco was slow in the northern part of Europe but positive in the south. While industrial over the whole did some 2 -3 % better. Most of our members saw for the first part of 2016 a positive trend. Printing inks volumes saw a further levelling off with a slightly negative growth.

BREXIT

The outcome of the Brexit Referendum was absolutely not what we, as CEPE, had hoped for.
With UK leaving, we lose some UK authorities who were in the political discussions often having a pragmatic influence in Europe and were most times receptive to industry arguments.
In the months to come we have to see how the departure will be organized and how an agreement on a new cooperation will develop.
In any case, the export business our members have between UK and the EU Member States (and vice-versa) will drive the interest to stay abreast of regulatory affairs on both sides.
Regarding the cooperation between CEPE and the British Coatings Federation it is our belief we still share a future together.

SUSTAINABILITY IN THE PAINT INDUSTRY

Most of the work in this area has moved to the specifics of Life Cycle Analysis per paint sector.
The pilot project facilitated by the EU Commission called Product Environmental Footprint (PEF) for Decorative products is entering its third and final year. In this final stage the focus will be on external review of the robustness of the calculation methods and the checking of communication formats by which the sustainability performance of paints can be brought to the public. Next year it will be interesting to see what the results of this project would offer as options for our industry.
After the protective coatings group and the powder group have finished their first Life Cycle Analysis on the use of paints in typical life applications, it is now the coil coatings and the printing inks that run their studies.

LEGISLATIVE IMPACTS

Handling these issues for our members is one of the main reasons for CEPE's existence. No wonder that this annual report is mainly made up with these topics. With many authorities nowadays evaluating dossiers of substances or biocides our industry has to constantly be on the alert when this relates to the ingredients we use for the manufacture of our products. Most often in small time windows we have to respond to questions on use and handling in our industry.

This year we ran a survey on how SMEs experience REACH. You find the results further in this annual report. For sure the costs for SHE has gone up in the companies.

EDUCATION

'Attracting the next generation of paint or ink chemists' will continue to draw our attention. After the first 9 students were sponsored in 2014 for the English Master Programme at ITECH, Lyon, we were happy to see another group of 12 applying for the 2015 course from which 6 students were sponsored by 5 CEPE members.

I hope that by taking notice of this annual report you get a better understanding where our industry can demonstrate good stewardship.

Jan van der Meulen,
Managing Director CEPE

PHOTOS

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Reason to act

CEPE is an industry association that offers the legal platform for its members to meet and to discuss industry issues.

The typical issues that require a collective industry approach, often originate from areas such as:

» Upcoming or existing legislation on safety, health and the environment (chemicals, emissions, labelling, transport etc.)
» Unsatisfactory situations in the industry concerning the position or the image of the whole sector.

Efforts that are undertaken can be reactive or pro-active to these issues.
The benefits from the collective efforts are meant for those that have joined the CEPE membership.

THE INDUSTRY TO SPEAK UP

To deliver „One message“
CEPE or EuPIA represent the interests of its members at:

» the EU Commission or Parliament or the delegated EU institutes.
» the EU industry associations that are relevant for the supply chain.
» the UN (directly or via its membership in the International Paint and Printing Ink Council -IPPIC).

CEPE FUNCTIONS AND ASSIGNED WORKING GROUPS

CEPE FUNCTION	ADDRESSED PER CEPE WORKING GROUPS
» Monitoring upcoming issues (radar for industry) » Advising for issue - treatment	» SHE Advisory Board (SHEAB) SHE topics (approx. 25) » Toxicology Advisory Group substance (raw material) specific topics (approx.40)
» Preparation (of proposals) » Consultation of members not participating in WG	» Issue related Task Force in case of industry wide issues » EU Sector Group when sector specific action is required
» Propagation and feed back	» Platforms of Directors or staff members of NAs + CEPE

Sustainability

CEPE'S LCI DATABASE AND ECOFOOTPRINT TOOL

Background

CEPE has spent a considerable amount of time and money to develop its Life Cycle Inventory (LCI) database. It has been a major effort to enter into the field of Sustainability. The main aim of this project was to develop and maintain a database that covers raw materials and manufacturing processes based on the selection of our members sector groups; to agree and record the method to collect consistent LCI data for future use and in the end, to develop a simple and dedicated tool to our members using this database in order to enable them to start their Ecofootprint journey. There were several updates of the database until now from September 2014 and July 2016 including an update of the Ecofootprint tool in the last one.

What is next?

Every year there is a passive review by the Sustainability TF that an evaluation is made on the raw materials that are indicated by the members that are missing in the database. For next year, an active review of the raw materials that have been gathered will be done which will be evaluated on date of data generated and technological representativeness in order to find the best available data to update them. In the meantime, more after gate scenarios will be included and several outputs formats will be tested on the Ecofootprint tool.

LIFE CYCLE STUDIES OF PAINT APPLICATIONS

While the CEPE database and the Ecofootprint tool have been available to our members since 2013, several sector groups decided to run a life cycle analysis of a typical product for their sector.

The protective coatings sector has studied the role of paint in the life cycle of a steel bridge. The results of the study were presented at the CEPE Annual Conference in 2014. The Sector Group will now convert the outcomes of the study into an easy to understand leaflet, and use it for publications and to inform decision makers for green procurement.

The full life cycle of **decorative paints** is investigated in the 3 year long PEF project (see below).

Additionally, in 2015, the **powder coatings** sector has studied the life cycle of aluminium window frames. These results were presented at the CEPE conference in 2015.

At the moment of writing this article the **coil coatings** group runs a Life Cycle Analysis of several paint systems for a coil-coated steel façade cladding.

EuPIA (printing ink members) has finalized their study on the virtual ink reference and is now working further with its communication team to prepare a leaflet to the members.

PRODUCT ENVIRONMENTAL FOOTPRINT

Background

The Product Environmental Footprint (PEF) is a methodology that has been developed by the European Commission and is foreseen to be applied in Life Cycle Assessment (LCA), in order to harmonize the current situation in the market when it comes to product comparison that belong to the same category. The project started in November 2013 with 27 pilot projects that would apply this methodology and would create specific rules for their products/organizations. One of these pilots is decorative paints.

What are the next steps for CEPE in the PEF project?
During this pilot phase there were several foreseen project tasks. First, each pilot had to develop product specific calculation rules and test them on a generic average product (representative product). After the first testing, these rules had to be applied in real market products in order to confirm the findings from the screening study. This validation was successful and there was valuable feedback that was received in order to improve the format of the PEF Calculation rules (PEFCR) and make it more user friendly.
A next step which is currently running is the evaluation of so-called communication vehicles or communication formats. These will be tested on consumers, professional painters, retailers etc. These communication vehicles could be labels, factsheets with the hotspots of the product, websites with more information, product development reports etc. For the paints pilot the communication vehicles that will be tested are a PEF label, a website with explanatory information and a product specific factsheet with hotspots and more environmental information on the product.
During the Q3 2016, a review of the rules will be done by a panel consisted of 3 top experts in the LCA sector. By the end of the year and based on the feedback that will be received by the panel and the public consultation period during summer, the technical secretariat needs to finalize the calculation rules and provide them to the Commission. In parallel, CEPE will participate in the Commission tender call for the secondary datasets that are needed for the PEF calculation. That ensures the recognition of the CEPE database.

What happens when the project finishes?
For next year, the project will be finalized by the evaluation of the results by the Commission. Also policy discussions will start by the second half of the year. Depending on the outcomes and whether the project will be considered as successful there will be a possibility of integration of this methodology to legislation and / or voluntary schemes (such as Ecolabel).

A midterm evaluation was held in November 2015
On November 3 and 4, 2015 some 200 people that were directly or indirectly involved with the Commissions' project on Environmental Footprint (EF) met in Brussels. With the pilot studies in this project being halfway, the European Commission (EC) organized this conference to exchange experiences and ideas on the future of EF. Every industry that runs a Product Environmental Footprint (PEF) or OEF (Organizational Environmental Footprint) had representatives delegated and many high ranking EC officials were attending as well as some Sustainability experts from the UN. Mr. Hugo Schally (head of EC's Unit for Eco-Innovation and Circular Economy) kicked off by reminding the audience on the background of the EC to address Environmental Footprint. The ambition is to come to a single market for green products. To get there one needs robust and sensible methodologies to evaluate products and organizations. Despite several tries from the audience Mr. Schally refused to answer their questions on in how far PEF would be a part of the upcoming EC's paper on the Circular Economy (due for December 2). He would however admit that the outcomes of PEF may have an influence on the currently ongoing evaluation of the use and applicability of the Ecolabel.
In several parallel sessions reports were given on the industry's experiences with the PEF project. Morten Fon presented the experiences CEPE's members had with the Decorative paint pilot. Higher than anticipated workload and costs were some of the negative remarks but the support of the EC was experienced as positive. He expressed the paint industry's continuing support for standardizing Life Cycle Analysis methods. As future use he highlighted the communication for B to C and B to B as well as the improvement of the Ecolabel. He ended with a clear message that the momentum had to be kept now and that *'if we try to be perfect we may fail*'. The PEF project should lead to something that could be easily implemented and may need a

» **"If we try to be perfect, we may fail."**
– Morten Fon, Jotu

» **About 200 representatives who were directly or indirectly involved with the Commissions' project on Environmental Footprint (EF) met in Brussels at the mid-term conference.**

possible revision if we walk on.
There were several remarks made in the presentations concerning the ongoing discussion on the inclusion of toxicological data in LCAs. The topic is highly complex and some industries say that toxicology is already a responsibility for which the industry has to comply with REACH or CLP anyhow. So the consumer could already make an informed choice when it comes to exposure risks.
Another topic that still raises some controversy is the impact of the PEF methodology on the existing Life Cycle EU norm EN 15804. This norm has been in use since some 10 years and some 3000 Environmental Product Declarations are based on this norm. It is typically developed for the building industry and therewith limited to these applications. PEF is broader and aims for a single market of green products. The Directorates of 'Internal market and Entrepreneurship' (DG GROW) and of Environment and Public health (DG ENVI) intend to amend the mandate M/350 in order to align differences between the two. Many in the audience did not seem to be happy with this coming.
In the final plenary session the speakers tried to give arguments on the policy options for PEF. Should it be voluntary or a legal obligation? The speakers did not really answer the question but depending on their constituency they spoke of the PEF exercise not doing yet enough for the planet if it remains without clear reduction targets (the greens) or objecting to PEF if it were to add costs and bureaucracy for SMEs (UAPME, the SME association)

PEF may have an influence on the currently ongoing evaluation of the use and applicability of the Ecolabel.

The group set the question whether the producer of a bio-based solvent should or shall give information on the sustainability aspects of the solvents production in regard of the revision of TS 16766. Due to the fact that it is difficult for the companies to register new bio-based solvent this would act as an additional burden therefore in the end, the TC decided to recommend and not request this type of information. A recommendation is important in B2B communication. In B2C it becomes a "shall".

» WG 3 : Bio-based content
The group will have an exchange of knowledge with ASTM in plastics and there will be a workshop for exchange of information, plans and making recommendations to both sides. The target of this exchange is to improve the understanding between the work being carried out on both sides. More information on the ASTM group: http://www.astm.org/COMMIT/E62_Fact_Sheet_2014.pdf

» WG 4 : LCA and durability
Final deliverable is yet to be provided, but nearly finished.

» WG 5 : Certification tools and declaration
CEPE withdrew from this working group a year ago.

BIO-BASED PRODUCTS

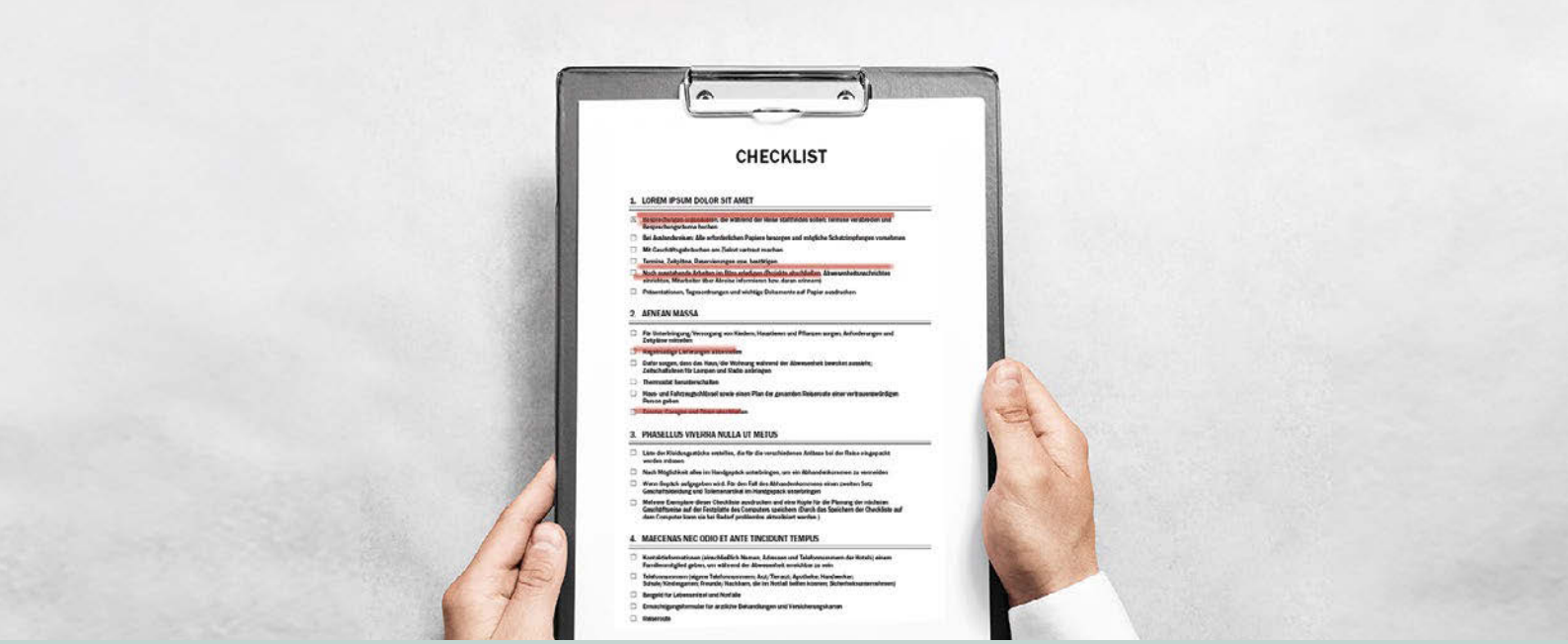
Background
Bio-based materials are already in use in the paint industry (for example vegetable oil based alkyd resins), and many of the raw materials we currently use could become bio-based in the future (solvents, binders etc.).

What's been done so far and what's the plan for the future?
Since 2012, CEPE is closely monitoring bio-based activities by being involved in standardisation activities, and being represented at conferences like the plant-based summit.

Bio-based and standards
CEPE is a liaison member of the CEN TC 411 since 2012. The CEN TC 411 is a horizontal working group that develops standard for terminology, bio-solvents, determination of the bio-based content on the sustainability of these products and for certification tools and declarations. CEPE only attends the plenary meetings that take place once per year and during these meetings there are several representatives from National Standardization Associations such as AFNOR, NEN etc and companies that are stakeholders to the working groups. In almost each working group there is a CEPE member present. The CEN TC 411 is at its final stage while all of the working groups have finished their work and provided the deliverables that were expected.
Status of the remaining work:

» WG 1 : Terminology
Work done, now going dormant

» WG 2 : Bio-solvents



Paint Formula Stewardship & Substance Risk Assessment Group

Achieving early clarity on safe use of substances

This policy initiative has been going around among the CEPE members for a consultation from April until June 2016. During CEPE's General Assembly on October 7, 2016 in Lisbon the CEPE paint members will be invited to vote on the proposal.

The policy aims, via clarifying if and how a 'safe use' can be obtained, at getting an early guidance for the CEPE members on how to proceed with this substance in their paints in particular in view of the upcoming review of these substances under the REACH Regulation (REACH).

Early knowledge on the future use of a substance is believed to be a benefit for a CEPE member. After assessing the risk of exposure for a substance the one or the other situation that may arise:

» *In case a « safe use » would be established for a relevant particular substance*

  This knowledge would enable the CEPE member to continue the use of the substance as long as his use conditions are in line with the risk evaluation outcomes.

  It would also give CEPE the reasons to defend this substance and prevent it from authorization or substitution when no technical substitution exists.

» *In case « no safe use » is concluded*

  The sooner this is known the more time it would offer to the CEPE member to look for a reformulation or a substitute.

CEPE's "Paint Formula Stewardship" does not apply to the printing ink members of CEPE (i.e. EuPIA).

The CEPE working group (SubRAG) which is mentioned below may nonetheless have a role to play in supporting the EuPIA Exclusion Policy (which requires to not use toxic raw materials by default, including raw materials known to be carcinogenic, mutagenic or toxic to reproduction), since their policy also includes a risk assessment element.

SUB-RISK ASSESSMENT GROUP (SUBRAG)

A new CEPE group has been formed to support the Paint Formula Stewardship. It is identifying the necessary processes, models and parameters to run risk assessments.

Objectives and deliverables

The group aims at supporting the CEPE Paint Formula Stewardship initiative by evaluating key substances of interest, clarifying their safe uses and recommending substitution where appropriate. It aims at looking at the safe use of substances that are not only targeted by hazard-based criteria but that are key for our paint business and may be at threat. SubRAG will deliver a list including substances and their safe uses, as well as a list of substances and their unsafe uses.

Working Process

See figure next page

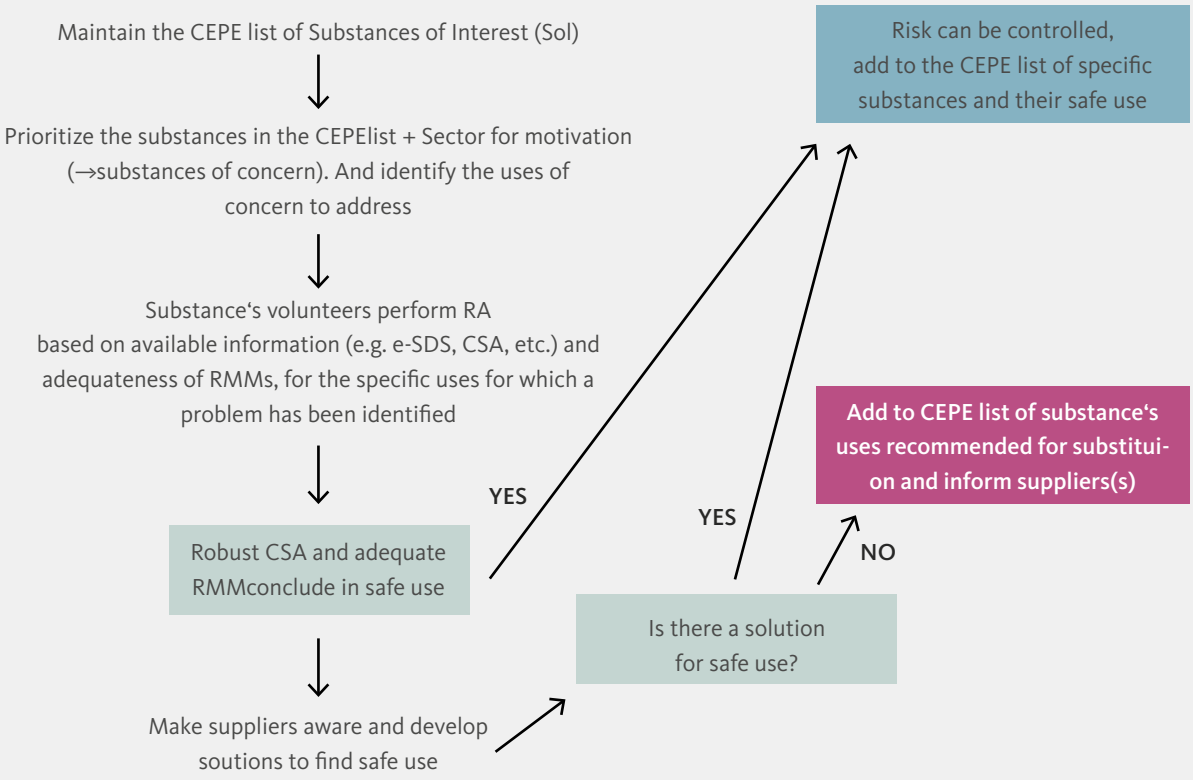
Substance prioritization

Substances of interest are identified in the CEPE database, which can be amended at any time. The substances to consider by SubRAG are those that are proposed by the members of the group or by external members and the first questions to be answered are as follows:

» Is the use NOT supported by the REACH Registrant (i.e. in e-SDSs) or is there suspicion of a RCR>1[1] for our uses?

» Is the toxicity classification (in place or suspected) CMR Cat 1, PBT, vPvB, respiratory sensitizer or endocrine disruptor?

Working Process



CEPE will support Paint Formula Stewardship initiative by evaluating key substances of interest, clarifying their safe uses and recommending substitution where appropriate.

If the answer to one of these questions is positive, the substance is selected for prioritization.
The next questions that will each get a score are as follows:

1. Number of CEPE Sectors the substance is used in?
2. Importance of substance to Sector (e.g. limited availability of alternatives, value to the business)?
3. Listed on CoRAP (Community Rolling Action Plan) or PACT (Public Activities Coordination Tool)?
4. Bad customer perception, possible worse classification or new restriction?
5. Type of user?
6. Extent of toxicity data?
7. Extent of exposure data?

SubRAG members give a score to each of these questions. The seven scores are then multiplied to give a final figure, which is used to prioritize substances. The CEPE Sector Groups are requested to confirm the answers to questions 2 and 4.
The uses are described by a number of elements: concentration in product, user type, application method etc. The SubRAG members will use their own knowledge to cover typical uses for our industry. There may be in some cases the need to get this information from the sectors.

Evaluating safe uses

The evaluations must be robust using an agreed methodology. The latest ECHA Guidance will be used, with the most commonly used risk assessment models. The default parameters will also come from our sector's SWEDs (Sector-specific Worker Exposure Descriptions) and SCEDs (Specific Consumer Exposure Determinant). The group will operate in a transparent manner.
When uses are identified as unsafe, the group will liaise with the REACH Registrants (suppliers of raw materials) to try developing common solutions for safe use.

Expectations

Four member companies have delegated seven participants in SubRAG. Most of them are already active in other CEPE groups. Currently they can commit in meeting one day four times per year. The issue of resources has been discussed within different sectors. It is acknowledged that most members do not have internal resources to carry such work. External help may be needed once the group has finalized its internal processes.

[1] Risk Characterization Ratio : when the exposure is greater than the tolerable amount the risk is >1 and no safe use can be demonstrated

REACH

The 2018 deadline is approaching. CEPE has surveyed its members on the regulation's impact on their business. The results of 65 respondants may be used in contacts the industry has with authorities to illustrate effects.

How SMEs experience REACH

CEPE conducted a survey of its SME members during the month of January for their views on REACH's impact on Safety, Health and the Environment (SHE), raw materials and innovation and competitiveness. There were overall 65 responses from CEPE's SME members based in the EU. The aim of the survey was to see the impact of REACH on CEPE members, particularly in the run up to the 2018 deadline.

THE MAIN OUTCOMES

Concerning the costs of SHE:

» Until 2005, 66% of the SMEs had less than 2% of the workforce employed in SHE
» Today, the same amount of SMEs have between 2 and 5% of the workforce dedicated to SHE
» The other third dedicate over 5% of their workforce to SHE

REACH Registration impacts:

» Over 50% of SMEs receive six months' notice for the withdrawal of substances
» The other half are given 6-12 months' notice
» 70% of SMEs have lost up to 10 substances
» 30% lost more than 10 substances
» Over 30% expect to lose up to 10 raw materials towards the 2018 registration

> 300: The number of substances of interest continues to grow mainly driven by the substances added by Authorities on the evaluation lists.

» Over 60% of SMEs need 2-6 man months to find a suitable replacement in their formulation
» 75% of SMEs have been informed that another 5 substances will disappear after 2018.
» Close to 60% are actively checking the registration status of the raw materials that are due for registration by 2018 with their supply chain

Effects on Innovation and Exports:
» Over 30% of SMEs believe that their competitiveness will have worsened after 2018
» 41% believe that their innovation capacity will have worsened after 2018
» 30% believe that their ability to export will have deteriorated after 2018
» 47% believe that their innovation capacity has worsened since REACH
» 30% of SMEs believe their competitiveness has worsened since REACH
» 61% have seen no change in their competitiveness
» 29% believe that their ability to export has worsened

These outcomes may be of use in the contacts our industry has with authorities to illustrate effects.

ADVOCACY FOR SUBSTANCES THAT ARE FACING REACH IMPACTS

The number of substances of interest to CEPE members that are under scrutiny is on the increase and we started so see 'interesting developments' for some of them

Substances of interest to the CEPE Community

The following overview shows the number of substances of interest to CEPE sectors[1] *(see figures 1 and 2 next page)*.
The number of substances of interest (>300) continue to grow mainly driven by the substances added by Authorities on the evaluation lists (CoRAP). Half of the substances of interest in the CEPE list are CoRAP, which hence have been identified by Member State Authorities to be of concern.

HDDA and SVHC – A 12 months story

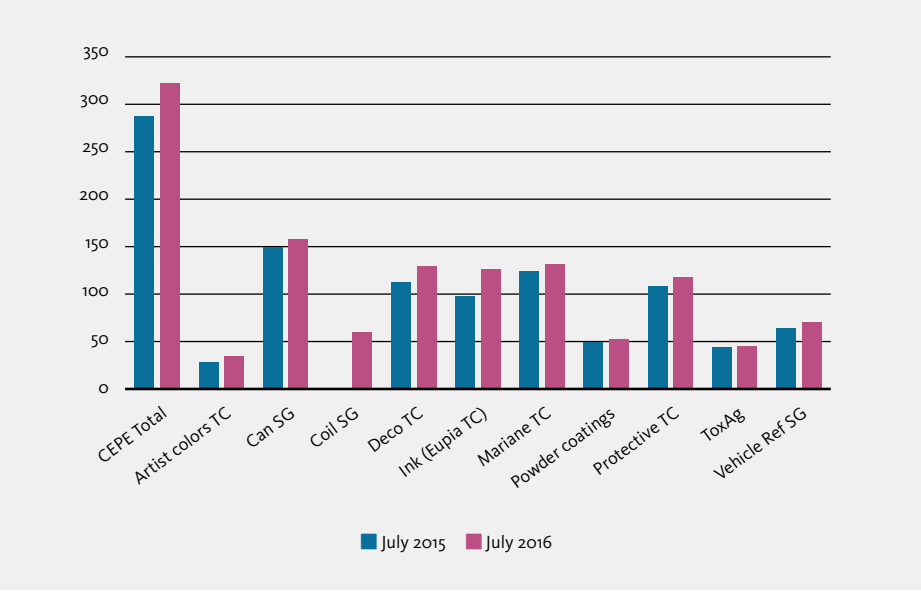
Just a year ago we started discussing the Swedish proposal to classify HDDA (hexamethylene diacrylate) as Substance of very High Concern (SVHC). A CEPE group was immediately formed as it is an important raw material for printing ink (50% of EU tonnage) and industrial wood, metal and plastic coatings (43% of EU tonnage). This UV curing substance is therefore mainly used by CEPE members, and only in industrial applications. Once the substance is cured it is reacted into a part of the solid material. Hence for CEPE uses exposure can only take place in industrial settings.

Sweden's proposal was only based on the skin sensitizing properties of the substance. It is well known that it is a potent sensitizer and risk mitigation measures have been implemented for a long time in our industry. Our internal survey across plants scattered across Europe indicated that there have been a few cases of allergy to workers during the past decades but mainly due to accidents and misuses of personal protective equipment. All cases were reversible.
Unfortunately this information was never requested by the Swedish Authorities, on purpose. Their objective was to try to demonstrate that it is a very potent skin sensitizer that should be substituted by less potent ones. They collected literature information and their dossier focused quite intensively on the case of one woman in Japan working in the printing ink industry who developed skin allergy and continued to be exposed for an entire week despite the clear signals. She was sent to hospital as she had developed serious symptoms, but thereafter recovered, stopped working in this environment and did not suffer any longer from this.
The SVHC identification is based on pure intrinsic properties. The CEPE comments provided during the public consultation (middle of October 2015) were based on exposure, risk and (lack of-) alternatives were rejected.

An intensive – never yet experienced – discussion took place in Helsinki at the December 2015 Member States Committee meeting. From the Monday morning to the Friday, there were discussions in open sessions (where CEPE could participate) and in closed sessions (no observers allowed). All Member State representatives and ECHA were aware that this case could open the door to thousands of skin sensitizers (a Pandora box). A vote took place on the last day with 13 Member States supporting Sweden. The conclusion from the MSC was therefore that it proposes HDDA to become SVHC (1 Member State = 1 vote). However, some key Member States stood up against the proposal which they found was weak as it is only trying to demonstrate that the substance could potentially have irreversible effects after long term exposure but this was not clearly demonstrated. The 9 Member States agreed to write a minority opinion to the Commission.
In the first semester of 2016 industry met with some national Authorities and with the Commission. National coating associations supported the consortium of manufacturers (PARAD) in their actions. DG GROW clearly indicated that the Swedish report was weak and the fact that they did not want to involve the EU Industry would act against them.
The next step was a discussion at the REACH Committee (where the country weight is taken into account in the decision making process). A first discussion took place at the REACH Committee of 6-7 July 2016 but no conclusion is available so far.

Isocyanates and Restriction –
German submission is now expected for October 2016

The German Authorities still intend to submit an EU wide proposal for a restriction of use of di-isocyanates. In principle the monomers of free di-isocyanates should be in scope. However, there are uncertainties on:



» **Figure 1: CEPE substances of interest by sectors July 2015 - July 2016**

1. Whether other forms such as oligomers would also be in scope;
2. The final wording of the proposal, expected in October 2016;
3. The possibility to exempt the spraying technique at all;
4. As well as an uncertainty linked to the reaction of other Member States in the months that will follow it.

There has been intensive discussions within industry associations and between them and the German authorities during the past 12 months, with the manufacturers represented in ISOPA / ALIPA (European Di-isocyanate & Polyol Producers Association / European Aliphatic Isocyanates Producers Association) leading the issue, to the extent that most members of the CEPE group were unable to cope with the amount of information provided. In addition to the load, the discussions were broad in scope with uncertain outcome.
It is also the first time that such EU-wide restriction would cover so many details, especially on training content. Any use that would fall in scope would require a certain level of training (details of which would be part of an 'Annex N'). Training modules are proposed based on the risk level. The practicalities of developing the training content, training the trainer, training the workers, certification, etc. are set in the form of a proposal. We hope that the involvement of downstream user industries will be limited to providing training content but not the training itself. The responsibility of implementation and enforcement should lie with the relevant national authorities. The discussions are expected to reconvene end 2016 - early 2017.

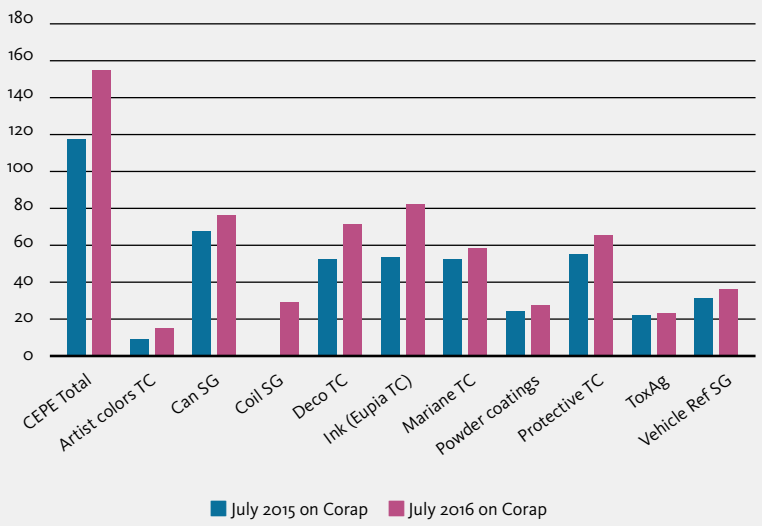
Formaldehyde – IED and OEL

Formaldehyde (FA) is not used as such by our industry but it may be present in raw materials above the 0.1% limit, the concentration from which a classification applies. The amino resin cross-linker manufacturers have developed lower free formaldehyde containing resins as part of their innovation process. Overall it seems that most coating formulators tried successfully to re-formulate their mixtures in order to achieve less than 0.1% free formaldehyde.
In Germany an OEL of 0.3 ppm for FA has been set. In the meantime the Scientific Committee on Occupational Exposure Limits (SCOEL) adopted this value as well. Formacare (the Formaldehyde association) is trying to put Formaldehyde on the second batch of CMR substances for which a binding OEL according CMD (Carcinogens and Mutagens at work Directive) in Europe should be set.
Not only is the content in a paint impacted, but also the potential emission. A limit for the emission of volatile organic compounds (VOCs) has been set under the IED concerning industrial plants. In addition, a limit for those that are CMR exists. During the curing phase of coatings with amino cross-linkers they may liberate more than the actual tolerable amount. Clarification on FA falling in the scope of the Industrial Emissions Directive (IED) regulating the use of solvents is still pending. Formaldehyde is not used as a solvent on itself but is part of products containing solvents and therefore could be in scope. The German TA Luft has already accepted that formaldehyde should get a specific status as it is a threshold carcinogen and therefore the emission value can be increased.

Titanium dioxide and the French proposal for carcinogenicity

France through the French Agency for Food, Environmental and Occupational Health & Safety (ANSES) has submitted a proposal to Europe under the CLP Regulation to classify TiO_2 (in all its forms) as a substance that has the potential to cause cancer in humans through inhalation (Category 1B).
TiO_2 is an essential raw material for the paint, coating and ink industries, and is used in over 85% of our products. It provides key properties to the quality of products, such as whiteness, opacity, brightness, protection from UV light, stability and durability. It is the most efficient and optimal way to provide an opaque white or coloured layer for decoration and protection for walls, metal objects, plastic films etc. It has been in use since almost a century.

Our industry is convinced that the available evidence does not support the proposed classification proposal. The vast majority of studies (held by the members of the Titanium Dioxide Manufacturers Association, TDMA) clearly show that TiO_2 is not carcinogenic to humans (including epidemiological studies). The carcinogenic effects were only triggered in the rat in a laboratory at high doses causing overloading and are not specific to the toxicology of TiO_2. This probably would be true for all poorly soluble particles. The formation of tumours upon inhalation exposure to TiO_2 is considered specific only to rats, and limited to conditions of overload.



» **Figure 2: CEPE substances of interest in CORAP by sectors July 2015 - July 2016**

Besides the negative perception that the term 'carcinogen' brings, there would be legislative impacts on our products, including, for example, the potential of a ban on the sale of all TiO2-containing products to the consumer. Indeed, although the classification proposal is for TiO2 as inhalable dust, it would affect liquid and paste-like products even though it is not available for exposure by inhalation from our products. This is the consequence of the EU chemical legislation, which is hazard-based and not risk-based.
ECHA opened a 45-days public consultation which ended 15 July 2016. It was an opportunity for any interested party to provide input. This CLP consultation was only for arguments on inherent toxicological properties. We however felt that we should take any opportunity to start warning on the disproportionate impact that this proposal would cause and we decided to create a dedicated CEPE Task Force populated by National Association's representatives. Within a week the group developed an agreed CEPE statement for the public consultation (submitted on June 27), a document for our members asking for their participation in it and to facilitate their input, and a document in the form of a Q&A for our members' customers.
The official RAC (the Risk Assessment Committee in ECHA) opinion is expected end 2017, early 2018. In the meantime we will work with TDMA as well as other Industry associations to jointly prepare advocacy strategies.

EXPOSURE SCENARIOS AND SUPPLY CHAIN COMMUNICATION

Formulators have a pivotal role to play in providing information both upstream and downstream

The CSR/ES Roadmap

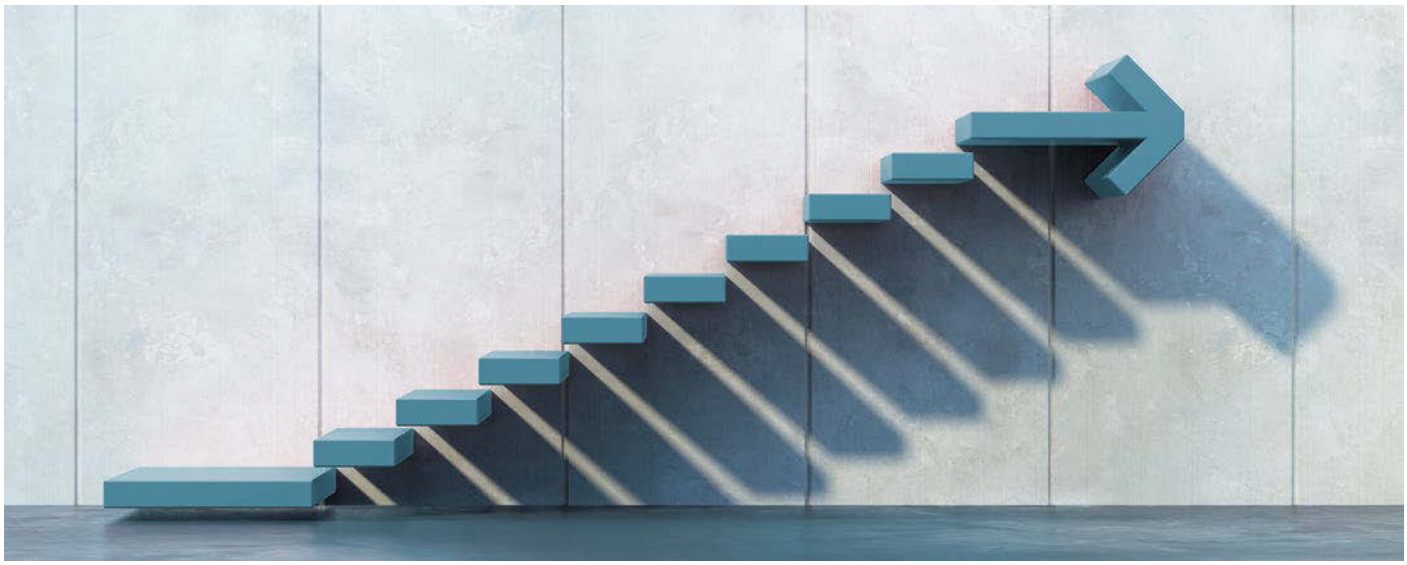
CEPE is an Accredited Stakeholder Organisation at ECHA and a signatory to the charter committing to the 'Chemical Safety Report/Exposure Scenario Roadmap', launched in 2013 to improve the quality of information used by registrants for their CSRs and communicated along the supply chain in Exposure Scenarios (ES). The Roadmap has been developed, promoted and implemented through the Exchange Network on Exposure Scenarios (ENES), comprising over 100 representatives from industry, authorities, NGOs and ECHA.
Past 'products' of the Roadmap have included a standardised structure and format for the ES, a table of contents and rules for ES short titles. The ESCom electronic data exchange standard, with its related library of standard phrases, is also managed under the umbrella of the Roadmap.
In 2016 CEPE is particularly engaged in activities relating to the following action areas of the Roadmap:

» **Action area 2: information inputs**
» **for the Chemical Safety Assessment**

Downstream sector organisations are in the best position to define the typical uses and exposures in their sectors. Joint work by ECHA together with DUCC (the Downstream Users of Chemicals Coordination group, chaired by CEPE) and other industry stakeholders has produced the **"improved use maps package"**. This comprises an overview of defined uses in a downstream sector, linked to more detailed information on each of these for the exposure assessment of substances:

- Sector-specific Worker Exposure Descriptions (SWEDs)
- Specific Consumer Exposure Determinants (SCEDs)
- Specific Environmental Release Categories (SPERCs).

Standardised templates for the use maps and the related factsheets have been agreed and made available by ECHA on a dedicated webpage, through which all sector use maps and assessment inputs will also soon be accessible.
DUCC sector associations, including CEPE, are busy preparing their **use map packages for publication by September 2016**, so that they will be available for use by 2018 registrants and for updating of existing registration dossiers. In the case of SPERCs CEPE's existing factsheets have been converted into the new 'best practice' format. SWEDs have been developed by a task force (see below) starting from the original CEPE use maps, and



the results of a DIY painting survey in 2015 have been used to develop SCEDs based on real consumer practices data.

In related developments, CEPE representatives have also participated in the Partner Expert Groups for the revision of the relevant ECHA guidance documents on assessment of exposure for workers, consumers and the environment (Chapters R.14, R.15 and R.16 respectively of the Guidance on Information Requirements and Chemical Safety Assessment).

» **Action areas 4 & 5: processing of information by formulators and by end users**
Formulators of mixtures are required to pass on relevant ES information for substances to their downstream users in the safety data sheets for their own products. ECHA guidance mentions options for this, including appending or integrating consolidated ES information, but provides no practical solutions to achieve this.
As formulators of mixtures for end users, with clearly defined markets and uses, DUCC sectors including CEPE have developed a so-called 'bottom-up' approach in which standardised sets of Operating Conditions and Risk Management Measures can be defined for uses by workers – i.e. the SWEDs. For each SWED there is a corresponding SUMI, or Safe Use of Mixtures Information document; this is a voluntary communication format providing concise, simple information to end users on the conditions under which the mixture can be used safely. This approach is described in a high-level explanatory document, 'Sector-specific approaches towards developing and communicating information for the safe use of mixtures', published in December 2015 and available on the DUCC website. It has also been widely promoted in presentations at ENES meetings and other conferences and seminars, to positive feedback.

CEPE's approach to safe use for mixtures
CEPE's own bottom-up approach has been developed over three years by a dedicated task force. It comprises 17 SWEDs and their corresponding SUMIs for various methods of painting and printing by industrial and professional workers. Members will select the appropriate SWEDs for the known/assumed uses of their products and 'validate' these for the substances in the mixtures. If the SWED aligns with received ES information for all substances, the relevant SUMI(s) can be provided to customers with (or alternatively integrated into) the SDS; if it does not, the SWEDs can be used for upstream communication to suppliers, or as the basis for a Downstream User Chemical Safety Assessment.
Following a trial by a pilot group in autumn 2015, the SWED/SUMI package and its associated guidance have been further refined and finalised for publication. A 'train-the-trainer' workshop was held in June 2016 for national associations, and with their support (including translation of documents) **the approach is to be rolled out to the full CEPE membership as from autumn 2016.**
The approach is intended to cover around 80% of uses in our sector and some members will still need to make their own assessments, particularly for specialised products/uses or substances with certain hazards. However it is believed that this approach will simplify REACH compliance for a large proportion of CEPE members.

What is coming next?
After publication of Roadmap products by the sectors, the development of Chesar files will be considered to enable automated import of inputs into ECHA's assessment tool by registrants. A project is also planned to test the consistency/complementarity of bottom-up sector-specific approaches with the 'top-down' approach (Cefic/VCI's Lead Component Identification methodology).
DUCC sectors will also seek to incorporate SUMI content into the ESCom standard phrase library, with harmonisation between sectors where possible. Last, but by no means least, the possibility will be explored to apply the SUMI concept – currently only used for workers' health information – to information on environmental releases, linked to SPERCs.

NANO MATERIALS

Nano size particles that are part of the tail of the size distribution of long time used pigments and fillers should stay out of a definition on nanomaterials that may be used for future legislation.

What is the issue?
The authorities in some EU Member States believe that not enough is known on the safety and health aspects of nanomaterials. And to be rather safe than sorry they want to regulate or at least monitor where such materials go in their country. Obliging companies to register their nanomaterials in these countries. Now the case in France, Belgium and Denmark. And Sweden may follow.

The European Commission is not denying that nanomaterials may have some health or safety issues but thinks that with REACH these issues will be part of the manufacturer's registration. The nano-form is so far not explicitly mentioned in REACH but will via a new Annex to be included. In order to know what one is talking about the EC launched a 'working definition' for nanomaterials in 2011. Which is to be reviewed soon.

With a definition that only deals with the dimensional aspects of nanomaterials the CEPE members may face:
» A disproportionate administrative burden.
» An unnecessarily increase in business complexity (= costs) for the industry (testing and proving: the nanoscale, the nano-content, the toxicology aspects)

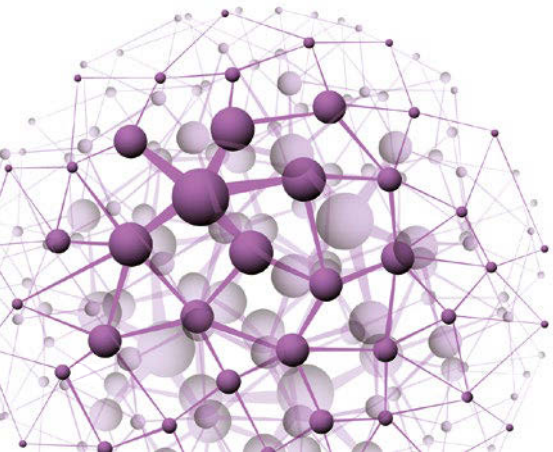
The overload of registrations will not distinguish between the nanomaterials with 'real' hazard concerns and those who have been evaluated and in use since ages.

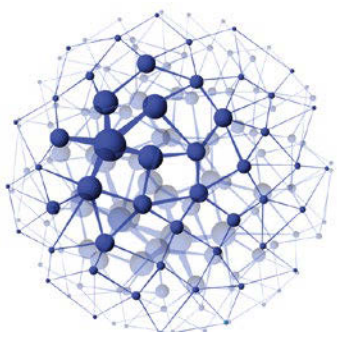
What is CEPE's opinion?
In all of the discussions on nanomaterials it is important to focus on those nanomaterials for which reasons exist to address their potential or perceived hazard. Applying the EC definition on each and every powdery substance will categorize many of these substances as nanomaterials. While suppliers of such substances will have a certain limited number of nanomaterials in their portfolio, downstream users like the CEPE members will have thousands as they typically use at least one such substance in most of their formulations. If the decision is made to retain the current working definition, it will be the producers of mixtures who will be impacted the most by any forthcoming administrative obligations on 'contains nanomaterials' (which may result from legislations or registers). The users of these mixtures will get the wrong message that they either receive newly developed mixtures, or that the mixtures they always received and used were more hazardous than they were previously informed.
CEPE also believes that the delivery form of nanomaterials that may pose a risk (the unbound or agglomerated nanoparticles) – that this risk disappears once the nanomaterial is incorporated into the matrix of ingredients of the mixture, which has been proven by several recent studies.

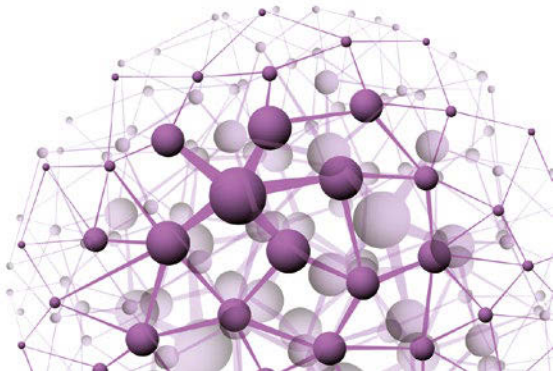
Where does the issue stand at this moment?
The Joint Research Committee wrote a report with options for improvements of the 'working definition'. CEPE's TF has evaluated these options against its strategic objectives and waits till an official consultation will start on the 'preferred options' of the DG ENVI and DG GROW. The publication of the 'preferred options' is heavily delayed.
The EU also considers to come with a 'nano observatory' plan. It would compile information on nanomaterials from existing sources rather than placing new information requirements on companies. It would form a link with the available information on hazards and risks. This would be a much lesser burden for the industry.

Advocacy via standard setting bodies
CEPE is involved in the discussions on standards both at the CEN and ISO level. The Commission has mandated the CEN TC 352 to develop European standards, which could be later adopted in regulations applicable to nanomaterials. At ISO level, numerous standards on terminology and HSE aspects are being developed. Since 2013, FIPEC ensures via the IPPIC representation in these ISO meetings that the voice of the paint and ink industry is being heard.

What will CEPE do as next steps?
Continue to collect scientific studies on nano in matrices.
Advocate in standardization bodies the industry's position.
Comment during the consultation on the 'referred options' of the EU.







HAZARD communication

CLP: classification, labelling & packaging

The new system, one year on

What is the status today?

The 'CLP' Regulation (EC) No. 1272/2008 became mandatory for mixtures on 1 June 2015, so all products placed on the market as of that date must be labelled and packaged according to the new rules. There is a two-year transitional period for goods placed on the market before that date, but from 1 June 2017 no packages with the old DPD labelling (orange symbols) will be allowed to remain anywhere in the supply chain.
The regulation is not static however; it is updated every two years by an Adaptation to Technical Progress (ATP), aligning the criteria with GHS (Globally Harmonised System) which itself evolves on a biennial basis (see below). In June 2016 the 8th ATP has been published as Commission Regulation (EU) 2016/918, aligning CLP with the 5th revised edition of GHS; this will apply from 1 February 2018, with again a two-year transitional period for goods already on the market. ATPs updating the list of harmonised (mandatory) substance classifications in Annex VI also continue to be published each year.

What has been done in the past year?

Even after 1 June 2015, several practical implementation aspects still remained to be resolved. CEPE has participated actively in work to address these by the Competent Authorities for REACH and CLP (CARACAL) and relevant sub-groups:

- A pragmatic interpretation of **'placed on the market'** was secured in the context of the transitional provision 2015-2017. This was clarified to mean goods already packaged, labelled and ready for sale before 1 June 2015; no transfer of ownership was necessary. This benefits companies with products in stock or on store shelves on the deadline date.
- **Use of chemical names:** it was agreed that recognised short/common names for constituent substances are acceptable or even preferred on labels for mixtures, and this was reflected in the new version 2.0 Guidance on labelling and packaging from the European Chemicals Agency (ECHA).
- **Multi-lingual fold-out labels:** an example was included in the revised ECHA guidance, along with enhanced advice on durability and readability. A change to the CLP legal text itself is proposed to clarify that these may be used to cover more than one country; this was still under consultation at time of going to press.
- **Interface between CLP and transport:** a consensus was reached that packaging used solely for transport is not in scope of CLP and requires no CLP label (if the goods are not dangerous for transport) – i.e. in line with DUCC guidance. CEPE was part of a drafting group which has prepared a proposal for clarification in ECHA guidance (future v3.0).

CEPE also provided direct input on the revision of the aforementioned ECHA guidance as a member of the Partner Expert Group (PEG). CEPE's Technical Committee 'Labelling and Safety Data Sheets' (TC-LSDS) maintains a **Guide to CLP Labelling and Packaging**, which supplements ECHA guidance with additional or specific advice for the paint and printing ink industry. At the time of writing a revision was underway to reflect the updated ECHA guidance, and also including 'best practice' advice on combining the labelling requirements of CLP and the Biocidal Products Regulation for treated articles.

Although technically a REACH issue and not CLP, CEPE also continues to maintain and update its **Guideline on Safety Data Sheets**, publishing a new release of the Phrase Catalogue (Update 10.0) reflecting Regulation 2015/830, the current version of REACH Annex II. Further enhancements are ongoing, including improved translations for several languages with the valuable support of members and national associations. CEPE also participates in wider industry groups with the chemicals industry (Cefic) and others, and contributed to an SDS checklist and other guidance or discussion documents from these bodies.

What is CEPE doing next?

CEPE is a member of the PEG for the next revision of the ECHA guidance documents on labelling and packaging and on application of the CLP criteria, to align these with the 8th ATP. These revisions are running in parallel from summer 2016 until early 2017 and members' input can help shape the guidance. CEPE's own guidance will naturally be updated accordingly.
There is now a lot of information on labels from CLP and other legislation, and as a result these become difficult for users, especially consumers, to read and understand. CEPE, together with other formulating sectors in DUCC (the Downstream Users of Chemicals Coordination group), will advocate and make proposals to improve labelling, in the context of the Commission's Better Regulation agenda and the ongoing 'Fitness Check' on the effectiveness of chemicals legislation. Proposals may involve combining or removing some label information, and/or use of technology to retrieve information which cannot be printed on the label itself.

GHS

Shaping CLP and facilitating global trade

What is the issue?
The United Nations Globally Harmonised System of Classification and Labelling of Chemicals (GHS) sets the framework for CLP in Europe and for similar national legislation elsewhere in the world. It is important for industry to participate on UN level in order to have any influence on that framework, which can be adopted in full or in part, but not altered, by regional or national jurisdictions.

How and where is CEPE involved?
CEPE leads the IPPIC delegation as an active observer in the UN Sub-Committee of Experts on GHS. Major changes in the GHS criteria are now less frequent as the system matures, but refinements and improvements continue to be made in each biennium. Key issues for the end of the 2015-2016 biennium, which will produce the 7th revised edition of GHS in 2017, include:

» Aspiration hazard – appropriate viscosity criteria for paints/inks
» Hazard and precautionary statements – enabling flexibility in wording, and balancing rationalisation/improvement of statements against minimising changes
» Labelling – adoption of examples for fold-out labels and sets/kits (non-binding but useful for influencing regional implementations).

Longer-term work will continue in the next biennium on topics such as nanomaterials (guidance on applying criteria and any necessary changes to methods) and a global list of agreed substance classifications. IPPIC will develop proposals which could further increase harmonisation across the world.

INFORMATION FOR POISON CENTRES

Drawing closer to the finishing line

What is the issue?
According to CLP Article 45 EU Member States must have appointed bodies to receive information on hazardous mixtures, to be used for emergency response in the event of a poisoning incident and also for statistical analysis of incidents to identify potential risk management needs. The information to be submitted by companies is being harmonised across the EU, and a draft regulation adding a new Annex VIII to CLP is close to being adopted. CEPE supports harmonisation, since it would support the work of Poison Centres whilst reducing administrative burden for companies, but the requirements must be workable and proportionate.

What has been done so far?
Since 2010 CEPE has been actively involved in advocacy and commenting on the proposal, and continues to do so on the draft Regulation which is scheduled for vote in the REACH Committee in September 2016. Most content is effectively concluded, but at the time of writing some issues still remain to be settled e.g. the conditions of use for generic identifiers such as 'colouring agents' (important to enable group submissions for large families of mixtures like paints or inks which vary only by their colour).

Several implementation projects have also been or are in the process of being completed. The electronic (XML) data schema for the submissions and a basic application have been developed, as has a specification for the new Unique Formula Identifier (UFI) and a generator tool. A Product Categorisation System, identifying the intended use of mixtures for reporting and analysis, is also near to completion. CEPE members have tested and given active input on all of these projects.
Furthermore ECHA, who will be responsible for hosting the information and tools, has launched a dedicated website for this at https://poisoncentres.echa.europa.eu/

What are the next steps?
The harmonised requirements are currently planned to become mandatory in stages from 1 July 2019 onwards, starting with consumer mixtures. Once the regulation and supporting tools are all established, the development of CEPE guidance is foreseen to assist members on implementation of the requirements.

IPPIC will develop proposals which could further increase harmonisation across the world.

BIOCIDES

„Our products should not turn into nutrition for microbes and become waste. Biocides are the only 'tool' we have to prevent this."
- Jan van der Meulen, Managing Director CEPE

The potential threats on the re-classification of some in-can preservatives have materialized. Additional difficulties to pass the risk assessments affect the dry-film preservatives. Lobbying to other levels is needed.

What happened since last year?
The review programme of biocide substances have focused on biocides used in other sectors than ours (those from the first two waves of dossier submissions/priority lists of 2004 and 2006). The in-can preservatives (PT6) and dry-film preservatives (PT7) will for most be on the Authorities' agenda later. The following graphs gives an idea of the work status by priority lists (see Figure next page)

The biocide legislation in Europe dates from 1998. Existing substances on the EU market were identified in the year 2000. Industry notified its intention to support substances in 2003. The first dossiers were submitted by Industry in March 2004 and the latest dossiers in November 2008. And the Authorities started the review... The blue colour shows what has been achieved, and the rest what has still to be done by 2025!

Member States have been allocated the review of substances and are often late in delivering. Under the Biocidal Product Directive (BPD) the Commission did not have legal power to force Member States to accelerate their work. With the Biocidal Product Regulation (BPR) an official deadline has been set for Member States **to deliver dossiers by end 2019 for PT6 and end 2020 for PT7**. Some will send their draft assessments well before the deadline, others will be late. Hence COM will receive dossiers at different times and the evaluation of substances within the same PT will not take place at once.
Despite the fact that most of the substances of interest to our business will be reviewed in a few years only, we do see signs of con-

Formaldehyde releasers and isothiazolinones are protecting about 3.7 million tonnes of water-borne coatings.

cern on the horizon for two reasons:

1. Because the review automatically involves a re-classification at EU level, when a biocide substance is discussed earlier for a Product Type other than PT6 and PT7 we already see the potential consequence in terms of labelling.
2. We are liaising with the biocide suppliers who indicated their increasing difficulty in passing risk assessments as rules continuously change.

We have now seen how formaldehyde releasers and isothiazolinones would be classified

The two families formaldehyde releasers and isothiazolinones are the main in-can preservation actives.

The internal survey carried out by CEPE confirms that MIT, BIT and CMIT/MIT are the isothiazolinones in use with the highest tonnage for BIT. That family makes a third of the 2014 in-can preservation biocides tonnage used in paint. For the formaldehyde releasers TMAD is by far the biggest in use, followed by EG-formal. That family makes up another quarter of the total tonnage. Bronopol is deemed to act as such without degrading and is therefore not considered to be part of the formaldehyde family, but it releases formaldehyde during degradation. It makes 22% of the tonnage. DBNPA makes up another 11%. Hence basically over 90% of the in-can preservative biocides are made of 6 substances.

These biocides are protecting about 3.7 million tonnes of water-borne coatings.

Last year we indicated that three formaldehyde releasers (out of 13) were proposed to be classified like formaldehyde as Carcinogen 1B. We now have the RAC conclusion (Risk Assessment Committee under ECHA) that confirms this concern. And the logic indicates that the others will follow. Handling CMRs Cat 1B at work is difficult not only due to perceived risks, but worse is that the biocide legislation includes exclusion criteria for substances bearing such classification. We can then consider that they will eventually be not available to us anymore.

Last year we were also waiting to see how RAC would classify MIT (methylisothiazolinone), and we now know that they have given to it the 15 ppm limit to skin sensitization as for the more potent CMIT/MIT (3:1 mixture). We have no data to rebut this and the biocide suppliers seem to have exhausted their arguments. The publications in the Literature with human evidence acted against it. Its use in cosmetic is likely a significant cause of the so called 'epidemy' of allergy that was observed in Europe with MIT. It is not effective at 15 ppm, a minimal dose of 50-100 ppm is needed. MIT together with BIT is a leading in-can preservation mixture. Some of our members started to accept that paints have to be labelled as skin sensitizers. The problem with this is that the biocide Authorities have taken the position to forbid the sale to consumer of products classified as such. This is already the case for CMIT/MIT and is likely going to apply to MIT in the future. Hence for consumer paint MIT will eventually be considered 'out'. It is expected that the impact of the official classification will precede the biocide review. It is possible that by mid 2018 the products placed on the market will have to be re-classified based on the 15 ppm threshold for MIT.

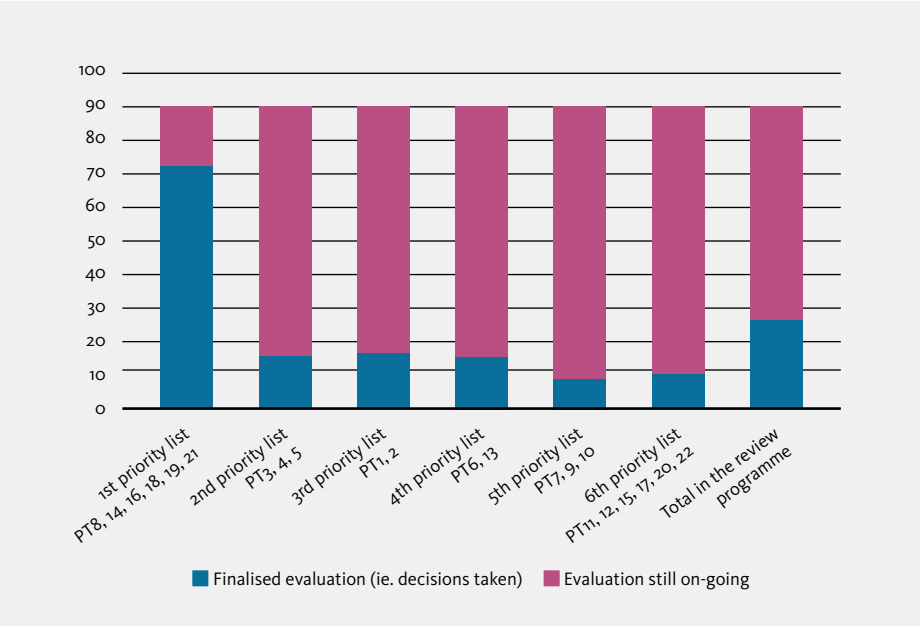
There are not many alternatives...

What concern do we have for dry-film preservatives?

Biocide suppliers have approached us as they have increasing difficulties to pass the environmental risk assessments for dry-film preservatives (PT7), which are changing over time even so late in the review process. Indeed the Competent Authorities have the liberty to add conservatism in the system as they believe best fits their views (sometimes personal views). For instance the new idea that sewage treatment plants could be overflowed in case of heavy rainfall events and would bypass the possibility of degradation of the chemicals and send all directly to rivers. Or the recent consideration that coated facades can all be present just above surface water with direct leaching and contamination.

Some may believe that we will solve the issue by conducting field leaching studies. Leaching studies will have to be carried out at product authorization stage for each PT7 product. The objective of the ongoing leaching study (which started mid 2016 due to stability issues of some actives in the samples) is not to generate leaching data that can directly be used in risk assessment for PT7 products. The main purpose is to

» **Overall progress on the review programme of existing AS per priority list in %**



identify worst case outdoor coatings that biocide suppliers will in the future have to use to assess their own PT7 formulations.

A new document was developed by CEPE in the same line of the PT6 document defended towards the Biocide Authorities in 2014. It explains why dry-film preservatives are used, why they are important and what could happen to outdoor coatings should they disappear. It will be used for lobbying purposes, following the in-can preservative actions. There are even fewer substances available for PT7:

» Fungicides: DCOIT, IPBC, OIT, Zinc Pyrithion
» Algaecides : Diuron, Terbutryn, (DCOIT)

The CEPE survey indicates that IPBC represents the bulk of the fungicide tonnage and diuron and terbutryn have an equal share of the algaecide market .
These biocides are protecting annually about 1 million tonnes of outdoor coatings.

What can we do about it?
The biocide legislation does not include the need to consider the benefits nor the need to make impact assessments before making decisions on active substances. In 2014 CEPE with three other associations have addressed the issue towards the Authorities in charge of the biocide review. The information was deemed to be 'of interest' but nothing has been done to address our concerns. In other terms the responsible Authorities continue their work without considering the problem of preservation as a whole and without taking into account their benefits.
Since the start of the EU biocide legislation the biocide suppliers have failed to obtain support from DG GROW. As downstream user coalition we now want to get the attention of DG GROW at high level and 'open the door' to a DG GROW support, since we represent much bigger industries than the biocide manufacturers, hence much bigger potential impact. The first meetings took place in 2Q 2016.

We propose short term and long term solutions. In the short term we would propose that the Commission piles up the remaining in-can (and dry-film) preservative dossiers up to the legal deadline that Member States have to submit their assessment reports (end 2019 and end 2020) before sending them to the BPC at the EU Chemical Agency. Then we would request that after the BPC opinion an evaluation of the dossiers is done using a holistic approach, keeping in mind that we require to keep sufficient tools for our products and hence that the benefits of preservatives are taken into account in the decision making process.
In the long-term we believe that the consideration of the benefits of biocides should be an integral part of the biocide legislation and we would ask that, as under REACH, DG GROW would also be involved and not only DG SANTE.

Labelling of treated articles and guidance update
In addition to the concerns raised above, the additional labelling requirements to CLP due to the biocide legislation has been cited as an example of double regulation under the consultation of the Commission on whether the EU chemical legislation is fit for purpose. In the meantime the guidance has been updated and we aim at finding agreement on the best workable label terms to use in summer 2016.

Endocrine disruption (ED)
The EU Commission was to issue criteria to identify endocrine disrupting chemicals in the framework of the plant protection and biocide Regulations by end 2013. It is a difficult subject and the Commission took the time to consult and run impact assessments. Sweden, with the support of some other Member States, won a Court case against the Commission as they failed to provide the criteria on time, which forced them to issue these a little earlier than planned. The proposed criteria are now known since 15 June 2016. An ED substance would be a substance that is known to cause an adverse effect and that has an endocrine mode of action and the adverse effect is a consequence of this mode of action. The criteria both apply to humans and to non-target organisms in the environment. For the latter the effect should be at the population level. All the available scientific evidence should be examined by expert judgment using in a weight of evidence approach.
Four options had been assessed:

» Option 1: No policy change: interim criteria (baseline);
» Option 2: WHO/IPCS definition to identify EDs;
» Option 3: WHO/IPCS definition to identify EDs and introduction of additional categories based on the different strength of evidence;
» Option 4: WHO/IPCS definition to identify EDs and inclusion of potency as an element of hazard characterization

The option 2 is therefore the closest retained. No one wanted Option 1. Option 3 was desired by NGOs (it would have included lists of substances that 'may be ED', hence black listing them) and Option 4 was desired by Industry as it includes the consideration of potency.

Basically the novelty compared to the existing toxicological approach based on 'end points' (i.e. whether there is an adverse effect) is that it adds the element of 'mode of action'. Hence, a substance that has already been identified as creating an adverse effect in the past but for which safe use can be demonstrated can now be regulated out if it is identified as ED. Hence it is a pure hazard based approach (again) and not a risk based approach.

The impact assessment concluded that this option would identify cypermethrin and tebuconazole as ED substances, two important substances in wood preservation. Zineb is also hit as antifouling substance. The analysis was carried out only on the biocide substances that had been reviewed under the BPR, so we do not know how the new ED criteria can affect all the other substances.

Conclusions
The issues around in-can and dry-film preservatives are increasing as time passes. Lobbying at other levels than to the usual biocide Authorities is needed. We have to seek for an 'open ear' and support from relevant institutions. CEPE in coalition with other industry associations is working on it.

FACET: Flavours, Additives, Contact materials Exposure Tool

FACET: A model to assess the potential human exposure to substances used in flavourings, food additives and food packaging materials

What is the issue?
Today EU regulators assess risk primarily on hazard rather than by considering hazard and exposure to that hazard. FACET provides the exposure part of any risk assessment for FCMs (Food Contact Materials). A main field of work for the CEPE and EuPIA sector groups supplying the food packaging industry is exposure and associated risk to substances in coatings or packaging inks that might migrate into the packed food or drink. The industry's aim is to move away from calculating the risk only on the basis of migration values and towards using total exposure for risk assessment. This helps establish the risk in a much more realistic way.

What has CEPE done so far?
CEPE and EuPIA, in cooperation with eleven other associations along the supply chain, and some non-industrial institutes, were involved in a 4 year DG Research funded project which finished August 2012. This was the first time that a harmonized tool and approach were developed jointly with industry and at EU level. FACET consists of a number of integrated databases and statistical migration and exposure software. The professional associations (FIG – FACET Industry Group) have continued to fund the development of FACET for the purposes of migrants from food packaging.

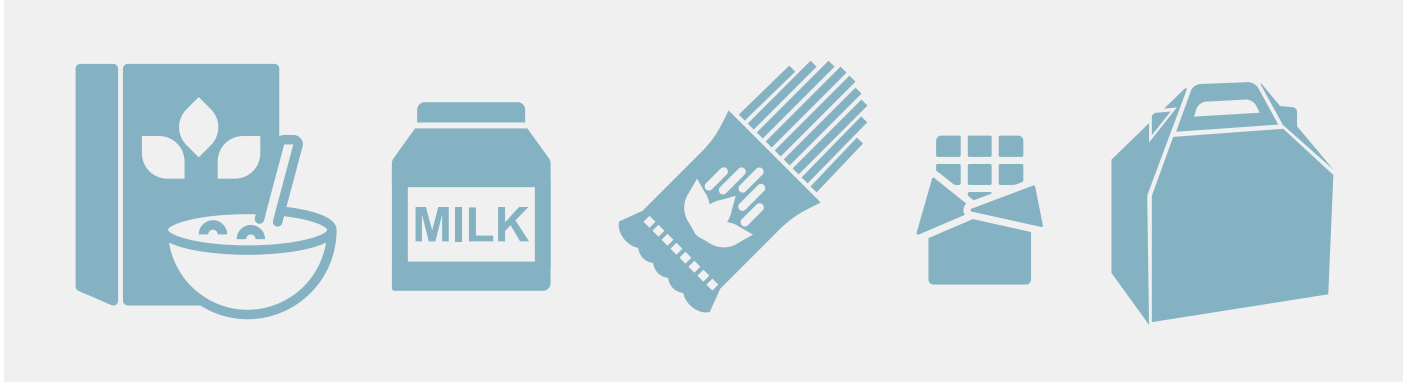
Latest developments include additional functionality for estimating exposure to new substances, new packaging and new uses for existing substances and of ever increasing importance the facility to estimate exposure to NIAS (Non Intentionally Added Substances). The FACET software devised for end-users such as DG SANTE and industry has unique features including focusing on particular EU regions, foodstuffs, and substances. The main originality of the approach is to perform exposure calculations on tiered intake databases, which were optimized according to available or generated concentration occurrence databases.
A number of revised versions of the software have been released over the last few years, each incorporating further refinements. The migration model, critical for EuPIA members but not can coatings, has been extensively revised and is undergoing final evaluation by selected testers.

A number of peer reviewed papers have been published. One of the most important, for the acceptance and credibility of FACET, estimated exposure to BPA (BisPhenol A) from canned food and drink. The estimates were similar to those from EFSA for canned foodstuffs.

FACET has been presented at several conferences and workshops attended by experts from the European Food Safety Authority (EFSA), the European Commission and EU Member States. Numerous training programmes are planned.

With the lack of progress in harmonized legislation for non-plastics and the emphasis being placed on managing risks for non-plastics, FACET will play an important role, particularly when used with the Belgian (Council of Europe) Database of food contact substances, which contains toxicological data, some in-silico.

Another major application for FACET is for the risk assessment of NIAS (Non-Intentionally Added Substances) where no prescribed protocols exist. FACET can be used in conjunction with the output from the latest CEPE and EuPIA initiatives on developing migration guidelines for non-plastic FCMs



TRANSPORT

Achieving maximum harmonisation, reducing costs and complexity.

What is the issue?

Roughly half of all products in our sector are considered to be dangerous goods for transport. The ability to transport these safely, cost-effectively and without delays depends upon having the right rules in place in Europe and worldwide. The framework is set at global level by the United Nations, in the UN Recommendations on the Transport of Dangerous Goods – Model Regulations, the 20th revised edition of which will be published after the conclusion of the 2015-2016 biennium. These recommendations are then implemented in the different transport modes through their own regulations:

» The IMDG Code for sea transport, administered by IMO
» The ICAO Technical Instructions for the Safe Transport of Dangerous Goods by Air
» For land transport in Europe, the UNECE agreements known as ADR (road), RID (rail) and ADN (inland waterways), which are adopted into EU legislation by Directive 2008/68/EC and its subsequent amendments.

For CEPE members a key goal is achieving maximum harmonisation between the modes, in order to reduce complexity and unnecessary costs in transport.

How does CEPE engage with this issue?

Our global organisation IPPIC (see separate article) is a recognised NGO observer at UN and International Maritime Organisation (IMO). IPPIC representation at sub-committee meetings is shared by staff from CEPE and the American Coatings Association on behalf of all IPPIC member organisations around the world. For European land transport, CEPE has consultative status in its own right at UNECE bodies on RID/ADR/ADN and submits documents to their meetings whenever necessary. CEPE and IPPIC also work together with other industry observers wherever relevant, e.g. in the informal European industry platform INDA and the international NGO Dangerous Goods Alliance.

What has been achieved in the last year?

Having successfully obtained a combined exemption for viscous flammable liquids which are also environmentally hazardous (packed in quantities of 5 litres or less) in the 19th revised edition of the UN Model Regulations and in ADR 2017, a Multi-Lateral Agreement was initiated by the UK to allow this also before 1 January 2017. Ten countries have signed this MLA (M284), largely thanks to the efforts of our national associations in dialogue with their authorities. Eight countries have also signed MLA M286 relaxing tunnel restrictions for environmentally hazardous goods (UN 3077 and 3082), ahead of this change in ADR 2017 which was the result of a proposal from CEPE and Cefic.
In June 2016 the UN Sub-Committee of Experts on the Transport of Dangerous Goods has accepted a proposal from Cefic and several country delegations – in which CEPE/IPPIC also participated – for a calculation method to allocate packing groups to corrosive mixtures of Class 8. This result, which has taken some five years in total, is an important enhancement to the regulations and will help to avoid inappropriate read-across of corrosivity classifications from CLP/GHS to transport. The text is adopted provisionally pending some additions and confirmation at the last session of the biennium in December 2016.

What are we currently working on?

At time of going to press IPPIC has submitted a proposal to the IMO Sub-Committee on Carriage of Cargoes and Containers (CCC) for harmonisation of the exemption limit for viscous flammable liquids, from the current 30 litres in the IMDG Code to 450 litres as in the UN Model Regulations and ADR. This would facilitate trade and reduce accidental non-compliance, where the original consignor does not always know the route a load will take. This proposal, which has support from some important country delegations, is due for discussion in September 2016.
In light of increased terrorist activity in Europe in recent months, the INDA platform has begun work on a thorough review and update of its 'Industry guidelines for the security of the transport of dangerous goods by road' (first published in 2005, with periodic regulatory updates since). The revised guidelines are intended to be ready for publication and sharing with the European Commission (DG MOVE) and UNECE transport bodies early in 2017.

Education

The paint industry is facing an ever greater shortage of paint chemists with an academic degree.

What is the issue?
CEPE's Working Group on Education has made assessments of the situation for the demand of paint chemists by the Industry and the numbers that graduate from the Universities. There is and will be for some years a shortage which will limit the industry's capacities in product development and innovation.

What has CEPE done so far?
To mitigate some of the shortage CEPE has set up with the ITECH institute (Lyon, FR) an English master course for paint chemists. It is expected that the English speaking graduates can be employed by paint companies across the EU.

In order to attract the next generation of chemistry students to this 3 year course CEPE has invited paint companies to consider the sponsoring of a student for this course. The sponsoring company funds the 3 year course and offers the student the opportunity to do his study assignments on the company's laboratory.

To compete for a scholarship the student makes a short video to 'paint him- or herself' in which the passion for paint and their ideas on the next generation of paints should come across. In the jury each of the sponsoring companies selects the student they want to sponsor.

The first cohort of students started in September 2014.
For the course that started in September 2015, from a total of 12 students, 6 were sponsored by 5 companies.

What will CEPE do as next steps?
The paint industry is not very visible for the chemistry student. To change that CEPE has launched a video which illustrates that behind every paint there is a can full of chemistry. The video is available on youtube https://youtu.be/-YBmz-oVCUM
To promote the ITECH 3 year course a poster (being a booklet at the same time) was designed and will be distributed across the relevant Universities where there are chemical faculties.

With the national associations in the coming years more relations have to be established with students and chemistry faculties to attract students from every part of Europe and where possible link them with a local sponsor company.

A FUTURE IN COLOUR
A 3-minute video gives a good understanding of the range of opportunities for chemistry students.

The video is available on youtube https://www.youtube.com/watch?v=byyl6vOYRsM

FURTHER INFORMATION
A folder is distributed in the relevant European universities advertising for this unique course.

IPPIC

Global dealings for industry issues with a global character.

CEPE normally operates within the EU scope. But for some issues it makes sense to co-operate on the global level where issues are originating from the UN or any international organisation or because the nature of the issue is not limited to the borders of the EU.

To be effective on the global level CEPE is a member of IPPIC (the International Paint and Printing Ink Council), which represents the interests of the industry on an international level and provides a forum for information exchange and cooperation on the major issues and priorities of the paint and printing ink industries worldwide. Other countries outside EU that actively participate in IPPIC are: the USA; Canada; China; South Africa; Mexico; Japan; Australia; Brazil. The 2016 annual meeting was hosted by the Australian Paint Association in Noosa.

The main activities that are currently treated under IPPIC are listed here.

» **Harmonization of National or Regional Sustainability programmes**

» **Nano materials**

» **Monitor the agenda of meetings of the International Agency for Research on Cancer, when paint or typical raw materials are on the agenda**

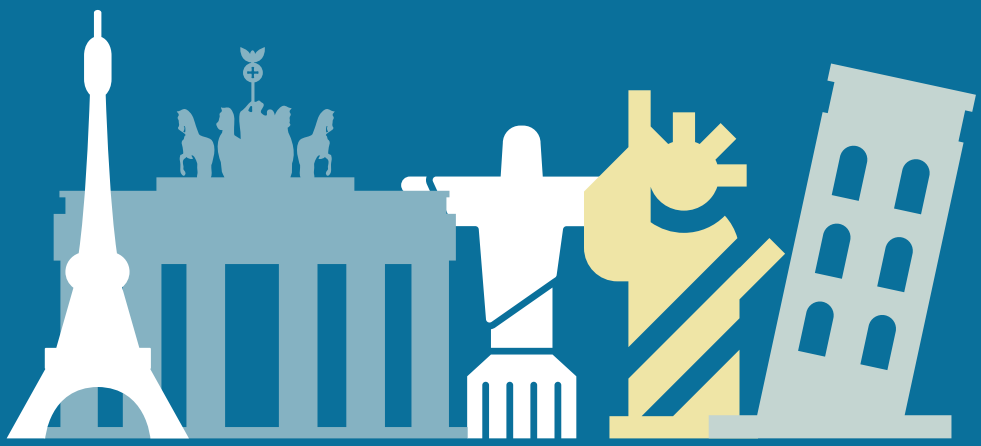
» **Lead in paint**
IPPIC endorsed a continued participation in this UN effort, acknowledging that the use of lead in paints is regulated in the countries of the IPPIC members. The participation comprises data supply and substitution recommendations.
The UN Environmental Programme and World Health Organisation's Lead Paint Alliance (UNEP/WHO LPA) maintains a dedicated website at: http://goo.gl/gk6N7j

» **Marine Coatings**
With ships sailing over every sea and docking in harbour as they like it makes all sense to treat items with Marine Coatings from the global perspective. Anti-fouling paints being an important issue across the globe.
Since 2007, IPPIC was granted the status of **official consultative NGO to the IMO** (International Maritime Organisation - London). IPPIC supports three IMO (sub) committees through technical input and meeting participation:
- the Marine Environment Protection Committee,
- the Maritime Safety Committee, and
- the Sub-Committee on Carriage of Cargoes and Containers.

Transport of Dangerous Goods (TDG) and the Globally Harmonized System (GHS) of classification and labelling of chemicals

The framework for these issues is defined on a global level by United Nations Sub-Committees of Experts. The results are then implemented into transport modal regulations and into national or regional legislation. With increasing globalisation of both business and regulations, it is more important than ever for IPPIC to be active in the international bodies to influence the rules at the top level, and to prevent disharmony which can be complex and costly for industry.

IPPIC is an NGO with consultative status at the UN Economic Commission for Europe, and as such participates actively in the Sub-Committees of Experts on TDG and GHS which meet in Geneva twice a year, as well as many of their delegated correspondence working groups. New editions of both the Model Regulations and GHS are published every two years, and work is continuing on the next as we approach the conclusion of the 2015-2016 biennium. For more details of activities see the sections on Transport and Hazard Communication in this annual report.



EMERGING ISSUES

Pollution of seas and waterways with micro-plastics is considered a major threat to sea life.

MICRO-PLASTICS IN THE MARINE ENVIRONMENT

What is the issue?

In checking water quality, marine research institutes have found small plastic particles. Because of their size (smaller than 5 millimeter) and non-biodegradable character such micro-plastics could end up in fish and therewith in the human and animal food chain. This could lead to negative health impacts.
Although there is a link with the issue of 'the plastic soup' (which refers to the plastic articles like bags, bottles etc. that have been found floating in the oceans) it should not be mistaken with it.

In The Netherlands, Denmark, Norway, Belgium, UK and Germany this topic gets political attention. The pollution of seas and waterways with micro-plastics is considered a major threat to sea life and humanity consuming fish or other sea creatures.
Institutes or consultants in these countries have written reports on sources and possible reduction measures. Some reports come with very rough and high estimates of volumes of polluting micro-particles.

Microplastics are defined from size being less than 5 mm in diameter. They are split in:

» primary micro-particles; intentionally added to products and emitted during use (e.g. leached)
  The cosmetics industry adds small plastic beads to formulated products that are used for skin scrubbing. These beads can be emitted after rinsing under the tap.
» secondary micro-particles; irregular shaped particles that emit as a result from aging or degrading secondary micro-plastics like:
  Tyres; rubber particles from wear off from driving on the road
  Textiles; synthetic fibres that would loosen during a washing operation.
  Dried paint layers; degradation particles resulting from sanding old outdoor paint layers (sanding dust)

What is CEPE's opinion?

There are still many questions not answered on this issue. To name the most important:

» The definition of micro-plastics is not clear and needs further thought; especially if the particle is not composed of just plastic. Also the lower limit is not established.
» The routes of micro-particles to waterways.
» The identity of micro-particles as found in the samples taken from water surfaces.
» The quantification of the risks. What are the effects on fish species when swallowing micro particles?

It is far too early to speak about legal instruments that would address any limits or mitigation as long as the actors and the activities that lead to this problem have not been unambiguously identified. Raising awareness with those who do a sanding or blasting operation that the resulting micro-particles may reach the waters with a negative effect on marine life is an easy thing with probably a large effect.

What will CEPE do as next steps?

As paint industry we take part in the ongoing discussions but a lot more has to be done to prove if and how much our industry is part of the problem. Published studies will be reviewed. Liaisons will be esta blished with other associations that may be imparted by this issue.

CIRCULAR ECONOMY

A circular economy is one that is restorative by design, and which aims to keep products, components and materials at their highest utility and value, at all times. The circular economy can be applied to both coatings and printing inks, and recently there has been a push both by government and industry to achieve a circular economy for both.

The EU published its Circular Economy Action Plan in December 2015. The aim of the package is to improve world competitiveness and induce innovation through the creation of a circular economy, along with environmental benefits such as reducing greenhouse gases. It outlines five main areas of action, which are: production, secondary raw materials, innovation & investment, consumption and waste management. The priority sectors are: plastics, food waste, critical raw materials, construction & demolition and biomass and bio-based products. Paint sits in three of these priority sectors-plastics, critical raw materials and construction. To printing inks the de-inkability of packaging will be in discussion.

Industry should consider the potential opportunities circular economy thinking can bring to future product design and innovation, such as a renewed focus on extended durability for coatings to last for three lifetimes of a component.

CEPE keeps a watching brief on this, as it is inevitable that more pressure will come from this topic in the future.

Projects funded with EU money

With other industry stakeholders CEPE participates in 2 EU funded R&D projects for SMEs.

SERVOWOOD

Concept

The concept of the Servowood project is to measure the Sustainability of coated wood in exterior applications (window frames or claddings).

In order to extend the life-time and use of wood in outdoor conditions, it is typically covered with a paint or varnish layer. For maintaining the wood article it needs several recoats before it reaches the end of its life time. There are alternative materials that have a lower demand for maintenance. A fair comparison between wood and other materials can only be made via a full Life Cycle Analysis (LCA). An overall benefit of this project will be that the outcomes will contribute to defining the parameters that can be used for such LCAs. This work can feed into the currently on-going **EU Pilot project for the Product Environmental Footprint.**

Objective

The objective of this project is to improve the EU Norm 927 to predict and explain the service life of a wood coating from both accelerated and real-time test regimes. In order to achieve this, we need to develop a model relating dosage inputs to damage responses, to determine reproducibility & repeatability of service life prediction tests and to develop a means to predict service life from one set of climatic conditions to another.

To that purpose, we need an improved understanding of effect of climatic conditions on coating performance as well as account for the effect of wood species on the coating performance.

This will be achieved by devising and constructing a multifaceted exposure device enabling simultaneous dosage information from natural weathering exposures (see figure 1).

Project participants

Participants to this project come from various horizons, including 6 associations on paint or window frames, 4 SMEs (paint and window manufacturers) and 5 research institutes with expertise on wood substrates on paint evaluation.

Perceived benefits

- Improved precision for durability standards
- Greater confidence in guarantees, warranties, accreditation for long-term performance (reduced risk)
- Clearer guidelines on maintenance scheduling
- Understanding of how coating systems will perform in different locations (climatic zones)
- Account for within and between species influence on service life
- Protect market share of coated wood products (through longer life products)
- Speed up development of new products (e.g. in response to legislation)

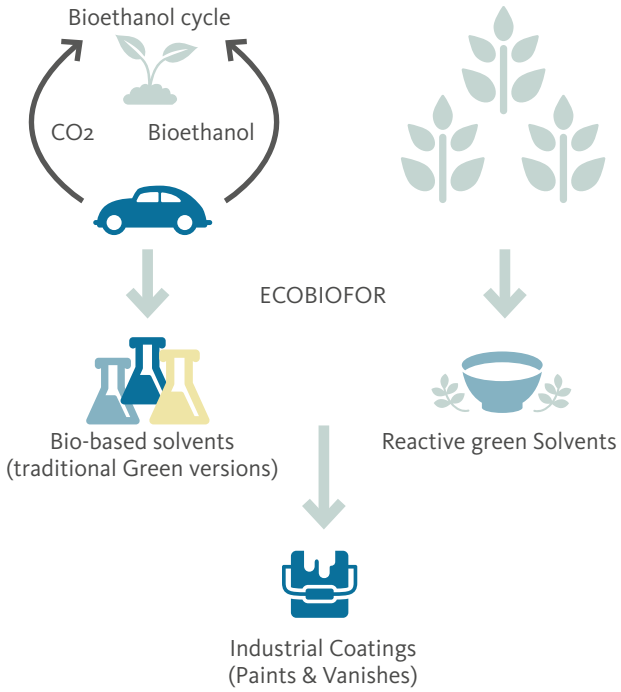
ECOBIOFOR

This project aims at developing solvents from bio-based starting materials. It is now 18 months on its way. The project has a 3 fold objective:

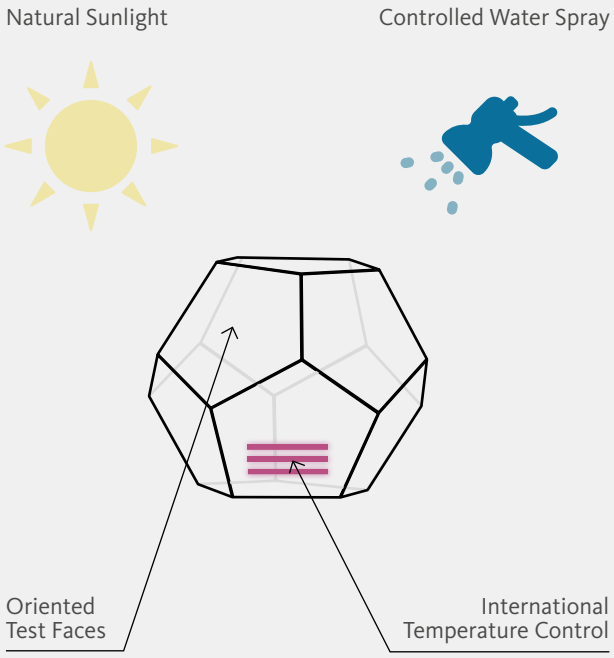
» To synthesize copies of a few oxygenated solvents like MEK and Acetates
» To synthesize a reactive solvent for high solids alkyd systems and therewith replace a large part of the aromatic solvents
» Find re-use opportunities of by products from the previous 2 routes (see figure 2).

The use of these solvents is intended for the paint industry which in volume is the biggest user of solvents. A starting point in this project was to make an overview of market available bio-based materials (like lactates) and their properties. This inventory has been made meanwhile and the real trials for synthesizing from biomass have started. The first lab scale quantities of some acetates have been successfully produced. The paint companies in the consortium are currently evaluating the performance of the so produced solvents in some of their paint formulations.
The SMEs and their associations (8 parties) give feed-back on results and keep the Research institutes (3 parties) on target towards the required end-products.
The researchers have to be aware that the paint industry is used to high purity grades and for many applications (in particular 2 component iso-cyanate or epoxy paints). Residues of water or other substances may impart the network building and therewith the performance of the paint formulation. Further into the project also the economics of these new synthesizing routes need a careful look. The ultimate demonstration of being more sustainable will have to be proven with a Life Cycle Assessment covering the whole production process and starting materials. The paint industry would be for a large part increasing its sustainability if the solvents would come from biomass.

» Bio-based solvents for the paint industry.



» Outdoor coating exposure at multifaceted racks.



There are alternative materials that have a lower demand for maintenance. A fair comparison between wood and other materials can only be made via a full Life Cycle Analysis (LCA).

EuPIA Annual Report 2016

A sector of CEPE aisbl

Printing inks: the lowest volume in more than a decade represents a decrease of -0.6% compared to the figures in 2014. The sales value decreased by -1.6%.

› Martin Kanert
Executive Manager EuPIA

EuPIA, the European Printing Ink Association, working under the umbrella of CEPE, represents and protects the common interest of the European printing ink business and promotes the image of the industry to the public. EuPIA provides a forum for discussion and decision-making regarding issues of specific interest to the printing ink industry. EuPIA members also participate in CEPE working groups dealing with issues of general interest to the wider CEPE membership.

MARKET STATISTICS 2015

EuPIA publishes market statistics on an annual basis. The data can be accessed via the EuPIA website at eupia.org, section publications - statistics.

The aggregated figures displayed in the charts below summarize
» Sales value per country total
» Sales volume and value per category for Europe total

The figures comprise domestic ink data collected for 30 countries or country groupings in Western and Eastern Europe and represent the activity of 28 EuPIA members participating in the statistics.

It is estimated that this represents about 90% of the total European market.
The global ink categories for which the aggregated figures are displayed are defined as follows:

» Liquid inks water borne – this includes flexo and gravure water borne inks, technological varnishes, extenders, primers, and over-print varnishes
» Liquid inks solvent borne – this includes flexo and gravure solvent borne inks, publication gravure inks, technological varnishes, extenders, primers, and overprint varnishes
» Oil based inks - includes coldset and heatset offset as well as conventional sheetfed offset inks
» All other inks – all other inks except screen ink sales which are not included in these statistics

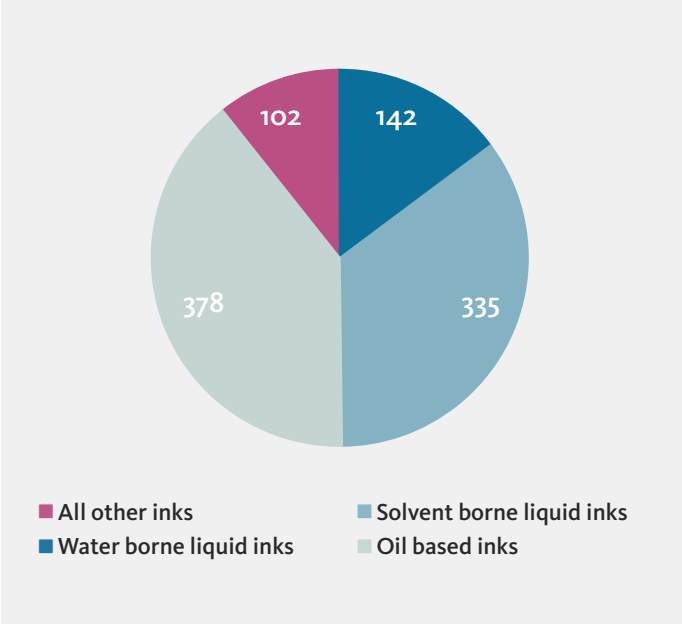


Figure 01: Sales volume for 2015 (OOOs tons)

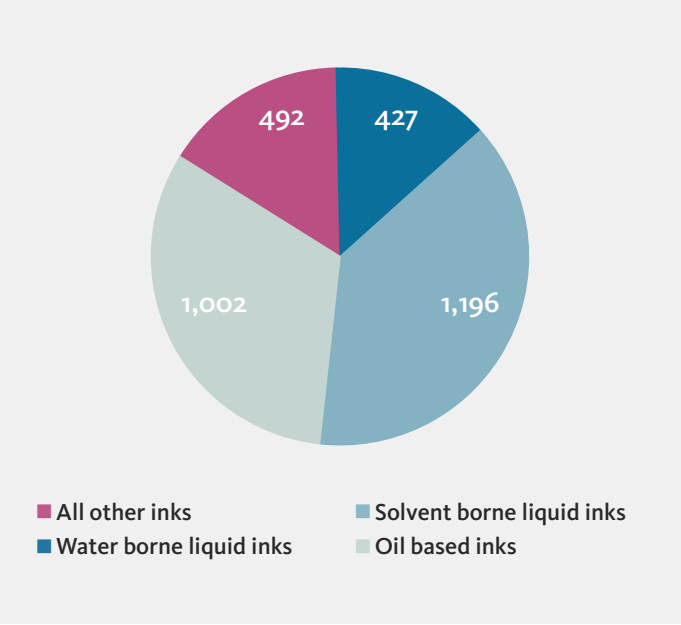


Figure 02: Sales value for 2015 (€m)

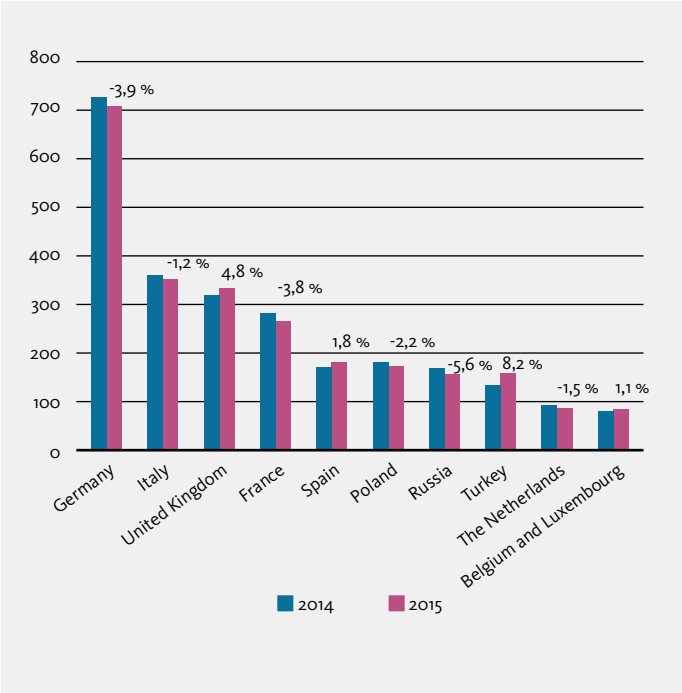


Figure 03: Sales Value by country 2014 to 2015 in €m

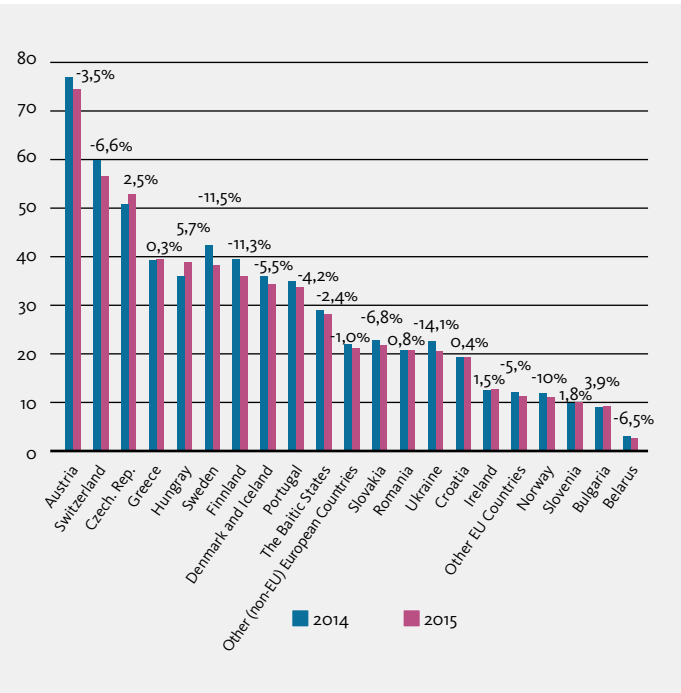


Figure 04: Sales Value by country 2014 to 2015 in €m

13th EuPIA Annual Conference. Challenging times ahead

Volume and sales have been significantly decreasing during the last years. The situation in the printing inks industry can be best described with one word: challenging. However, a difficult environment bears the potential for opportunities. By Damir Gagro.

"We need growth desperately", said the outgoing Chairman of EuPIA, Felipe Mellado, in his opening speech at this year's EuPIA Annual Conference, which was held from 21 to 22 April, 2016 in Wroclaw, Poland. All of the more than 80 conference attendees agreed to his statement.

Consumer goods are a very relevant market for the printing inks industry. "Unfortunately forecasts for consumer goods are not favourable", said Mellado. The prognosis are expecting a very flat development.
In all major countries, both emerging and saturated, zero growth is expected. The EuPIA statistics on the printing inks market underlined the challenging situation for the industry.
The market for printing inks is continuously shrinking. The total market size is estimated at some 1.05 million tonnes in Europe. Based on data from EuPIA members, the volumes in Europe fell to 957,000 tonnes in 2015. The lowest volume in more than a decade represents a decrease of -0.6% compared to the figures in 2014. The sales value decreased by -1.6% to 3.12 USD billion. Sales have fallen to the level of 2005.

PUBLICATION INKS KEEP ON STRUGGLING WHILE PACKAGING INKS KEEP ON GROWING

Especially publication inks are continuing the downward trend. Currently they represent just over 50% (down from 66% in 2005) and of the volume and some 40% of the value. The volumes fell by -4.2% and the value by hurting 7.7%. The outlook for this segment is all but favourable. It is expected that the market size of publication inks will drastically shrink in the years to come, at a fast pace. "Only a few industries have suffered such a transformation with fundamental changes", said Mellado.
Packaging inks represent just under 50% of market volume (up from 34% in 2005) and 60% of market value in 2015. Compared to 2014 figures, packaging inks recorded +3.3% in volumes and +3% in value in 2015.

SEIZING OPPORTUNITIES

The printing inks industry is facing difficult times. But, the picture is not as negative as it may look at first sight. While looking at a broader scope of the world economy, Dr Javier Diaz-Giménez, IESE Business School, raised hope during his presentation. Even though the world economy has been "too slow for too long", he clearly showed that the global economy is only slightly below the long term average. The economy is weaker than during the last decade, but stronger than the decade before the last. "This is far away from a crisis", Diaz-Giménez summarised. While saying that for instance China will not implode or crash, he admitted that Europe is continuing to be a shrinking market.
How to seize opportunities in a tough environment was presented by Lars Kleinschmidt of the print and media group Eversfrank. According to him, print will sustain. "We have to accept that print plays a new role. Even if it becomes a smaller part, it will certainly have its place in a world of mass communication. We are experiencing an overload in electronic information. Only paper can convey information without an adblocker", he said.
An interesting insight into the raw material supply situation was presented by Dr Norbert Flüggen of Altana. In the past months raw material costs have increased despite low oil prices. Flüggen explained how little low oil prices affect the costs of specialty chemicals used for formulating printing inks. According to him, a price drop of 50% will therefore never be transferred along the value chain at this rate.

NEW IMPULSES ON INNOVATION AND SUSTAINABILITY

The second day kicked off with a presentation on "Digital Business Transformation" by Philipp Deperieux of Etventure. In his opinion it is necessary to force digitalisation at corporations and small & medium-sized enterprises, as the business of the future lies in the digital word. He emphasized that implementing digital processes and business models has to be decided at CEO level in order to bring success.
In terms of success Dr Thomas Allgauer of Dow Chemical addressed the topic innovation in his presentation. He clearly depicted key success factors for innovation. Having worked in many teams in different geographies, showed that Europe has to improve its pace as the emerging economies are catching up.
Dr Dirk Voeste, BASF, gave a good overview on sustainability. He showed how the industry tackled this subject in the past, where it stands today and where it will go in future.

(was published in ECJ 05/2016)

Announcement of the 14th EuPIA Annual Conference in 2017
The next Annual Conference will be held on 30th / 31st March 2017 in Marbella (Spain).

PRINTING INKS AND VARNISHES APPLIED ON FOOD CONTACT MATERIALS

EuPIA published a completely revised GMP for FCM inks
In March 2016, EuPIA published a completely revised version of its Good Manufacturing Practice (GMP) for printing inks, varnishes and coatings designed to be printed onto Food Contact Materials (FCM inks). It has been prepared to assist in controlling food safety hazards in the design and manufacture of FCM inks, and formulated for use on either the non-food contact or the food contact surfaces of food packaging and articles intended to come into contact with food.

Products developed and manufactured in compliance with the EuPIA GMP are supporting manufacturers of food contact materials in supplying products compliant to the applicable legislation in Europe for materials and articles intended to come into contact with food, such as the Framework Regulation (EC) No 1935/2004, and GMP Regulation (EC) No 2023/2006.
The GMP includes requirements on product composition, quality and hygiene management.
It can be used by internal and external parties to assess the EuPIA member company organization's ability to meet customer and regulatory requirements applicable to FCM inks, and the organization's own requirements.
EuPIA members are in the process of introducing the GMP from 1st March 2016.

EU Commission and European Parliament activities regarding food contact materials for which no harmonised rules exist ("non-plastic food contact materials")
Food Contact Materials must be manufactured such that they do not transfer their constituents to foodstuffs in quantities which could endanger human health, cause an unacceptable change in the composition of the food or inadvertently affect foodstuffs in terms of odour and taste. These general requirements are laid down in the European Framework Regulation (EC) No 1935/2004 on materials and articles intended to come into contact with food.
At present, on European level specific legal provisions exist for plastics, regenerated cellulose film, ceramics, active and intelligent materials and recycled plastics.

In the absence of specific EU measures, Member States may maintain or adopt their own national provisions on food contact materials, which are likely to differ from one Member State to the other. Such differences introduce inconsistencies in the approach to regulating food contact materials and have the potential of hindering the free movement of those materials in the internal market.
Therefore, in 2012, the European Commission had started an initiative to check the necessity and options to regulate non-plastic food contact materials, and summarized its views in a so-called "roadmap". Subsequently, the Commission consulted Member States and industry for their opinions. EuPIA and many other trade associations took part in the consultation process and identified "printing inks" and "paper & board" as materials for which EU provisions should be established with priority.

In the latter part of 2014, the European Commission's Joint Research Centre (JRC) has started to carry out a study aimed at providing a comprehensive overview of the current situation concerning non-plastic food contact materials. This so-called "baseline" study will map the industry supply chain and collect existing legal provisions on Member State level as well as industry self-regulations for these materials. EuPIA contributed to this study. The study was expected to be completed by the beginning of 2016, and should allow the European Commission to identify priorities for future regulations of food contact materials. Until the end of the reporting period, no study results were made public.

At the request of the European Parliament Committee on Environment, Public Health and Food Safety (ENVI), the Parliamentary Research Service (EPRS) conducted a study to assess the implementation of the EU food contact materials' legislation. EuPIA had provided input into this study as well.
The study was published in May 2016 and is available from the website of the European Parliament at
http://bit.ly/2cfujjR

The last paragraph of the abstract states: *"However, as reported by the majority of stakeholders participating in this survey, the lack of specific measures at EU level for some food contact materials/articles negatively impacts the functioning of the internal market for the relevant material/article and its food safety. Stakeholders - across businesses, consumers, environmental and health NGOs, researchers, as well as Member States' competent authorities - are in favour of specific measures at EU level for the FCMs that are not yet harmonised at EU level."*
The report further points out that priority for harmonization at EU level should be given to Paper&Board, Printing inks, Varnishes and Coatings.

The study results are considered in a motion for a European Parliament Resolution which has been voted in the ENVI Committee in July 2016, and now awaits reading in the European Parliament.

German Consumer Goods Ordinance: draft amendment specifying requirements for printing inks/varnishes applied on food contact materials

Despite the aforementioned activities at EU level which support the setting of harmonized rules for certain food contact materials including printing inks, Germany continues to pursue a national approach: On 5th July 2016, Germany notified to the European Commission the draft of the 21st ordinance amending the German Consumer Goods Ordinance (21. Verordnung zur Änderung der Bedarfsgegenständeverordnung), pursuant to Directive (EU) 2015/1535; this amendment is called "Printing Ink Ordinance" ("Druckfarbenverordnung"). The standstill period expires on 6th October 2016.

EuPIA and the entire European food packaging supply chain as represented by the Packaging Ink Joint Industry Task Force (PIJITF) regret this step as they are clearly in favour of EU harmonized rules for printed food contact materials, in order to avoid massive distortions of the internal market, as can be expected if the principle of mutual recognition is not respected in full. Irrespective of this fundamental question for which clarification is requested from the German Government, from the perspective of the printing ink industry the main concern lies with the future usability of raw materials for the manufacture of FCM inks. The core element of the draft ordinance is a list of substances which may only be used in the manufacture of printing inks for food contact materials. This list is still incomplete with key raw materials missing. If these materials are not included in the positive list from the point in time when the provisions of the ordinance become applicable, then this would have severe consequences for established printing technologies which would at least be severely restricted if they do not completely disappear.
EuPIA and its member companies continue to assist their raw material suppliers to compile and submit to the relevant authorities toxicological dossiers for substances which either are not yet included on the draft positive list or for which more favourable migration limits should be set.

Swiss Consumer Goods Ordinance: provisions for food packaging inks

Since 2010, the Swiss Consumer Goods Ordinance contains provisions specific to printing inks which are designed to be printed on the non-food contact surface of food packaging. The core element of the regulation is a list of "permitted substances", which only may be used in the manufacture of food packaging inks marketed in Switzerland. This

list, which has been established with the support of EuPIA, is regularly revised. For some of the listed substances the Swiss authorities requested clarification of their toxicological status. For the majority of these substances consensus could be reached in joint meetings between the Swiss authorities, EuPIA and the relevant associations of the raw material supply industry.

Non-Intentionally added substances (NIAS)

Printing inks and coatings for food contact materials may contain substances that are not used intentionally. These substances may be impurities in the raw materials used or reaction intermediates formed during the production process of ink raw materials, or decomposition or reaction products formed during the ink manufacturing, the printing and the packaging/filling or storage. Such substances are commonly referred to as Non-Intentionally Added Substances (NIAS).
There is an increased focus of legislators, control authorities and customers on the appropriate risk management of NIAS. To this end, EuPIA has established a NIAS Risk Management Task Force which will produce an ink specific guideline for EuPIA members detailing how NIAS should be risk-assessed.

Until this guideline is available, the EuPIA Position Statement on Non-Intentionally Added Substances (NIAS) provides some relevant information: http://www.eupia.org/uploads/tx_edm/2016-02-24_EuPIA_Position_Statement_on_NIAS.pdf

EUPIA TECHNICAL COMMITTEE

Technical issues and non-food applications of printing inks fall under the remit of the EuPIA Technical Committee (ETC) and its subsidiary working groups, Operational Safety & Risk Assessment (OSRA), Labelling & Safety Data Sheets (LSDS) and the Task Force "Recycled Paper & Board as Food Packaging".

Safe workplaces and products

September 2015 saw the publication of the first edition of the **EuPIA Exclusion Policy for Printing Inks and Related Products.** This policy, which replaced EuPIA's familiar and long-established Exclusion List, represents an evolution which preserves the clarity of a hazard-based policy whilst mitigating negative impacts on business continuity or customers' processes in the face of increasing substance re-classifications under REACH and CLP. The Policy incorporates elements of risk assessment, taking use and exposure of substances into account, and allows specific (temporary) exemptions to be granted where substi-

tution is not feasible in the short term and where safety in use can be adequately demonstrated. Use of the exemption procedure entails mandatory reporting to the EuPIA secretariat, which helps to monitor proper application of the Policy among members.

The second edition of the Exclusion Policy was published in March 2016, including the first such exemption to be identified (for formaldehyde in encapsulated scent varnishes). The ongoing review and maintenance of the Policy is a standing agenda item for ETC. The Policy will be maintained until it is no longer necessary, when risks from the most hazardous substances have been managed by REACH regulatory processes (2020 or beyond); in the meantime however it remains an important pro-active safety commitment by EuPIA members towards their employees and customers.
A safe workplace is also the primary goal of the **OSRA working group.** In March 2016 it published a major new guideline for members on laboratory safety, comprising chapters on safe formulating, chemical storage, equipment operation/maintenance and training & risk assessment. Further chapters may be added to this guideline as considered necessary.

OSRA also published an information note for members on preventing falls from tank containers – especially important at a time when increased security checks are being carried out on transport units. OSRA also continues to publish its popular Safety Flashes and Safety Alerts in the members' Workplace, although their number has happily fallen as fewer incidents are reported. To continue in its goal of sharing learning, OSRA is therefore developing new short formats for best practice guidance.

One non-food application for printing inks in which safety is important is **packaging for cosmetic products**. EuPIA has participated in a cross-sector task force to develop guidance for information in the supply chain; this guidance, undergoing a trial period during 2016, is based on the approach that information on food contact suitability can also be used in safety assessment for cosmetic products (where there is sufficient chemical similarity). In July 2016 ETC published an updated recommendation to members on supply of food packaging inks for cosmetic packaging, referencing the supply chain guidelines and also including a guidance list of 'disclosable substances' used in food packaging inks, but which are banned/restricted in cosmetic products (Annexes II/III of Regulation 1223/2009) and so cosmetic safety assessors need to be informed about their presence. Following the recommendation enables members to make use of EuPIA tools available in the food contact materials area, such as the Statement of Composition.

In March 2016 ETC published a revision of its guidance on 'treated articles' containing biocides. The new version reflects updated CEPE guidance, but retains examples and situations specific to printing inks and related materials.
ETC and its subsidiary groups also continue to monitor numerous 'substances of interest' to the printing inks sector, and support the advocacy activities of CEPE with relevant input as required. Substances in focus in the past year include the acrylate monomer HDDA, formaldehyde and the essential white pigment titanium dioxide. See separate article for more details.

Focus on ink-specific issues
The EuPIA LSDS group has established a new working procedure in 2016, which will focus on ink-specific labelling and safety data sheet issues identified by the members. Issues with more general applicability will be fed into the main CEPE TC-LSDS, with one joint meeting of the two groups each year.

The role of printing inks in environmental footprint and sustainability
Instead of generating eco-footprints for individual inks, which could lead to inappropriate comparison between different ink technologies, ETC decided to establish a 'virtual ink' representative of the global market. This was used in a Life Cycle study applying the CEPE tool and methodology (see also Sustainability article). A communication leaflet has been developed to enable inkmakers to provide sufficient information downstream, to support converters in making their own Life Cycle Analyses and assessing the contribution of the ink to the overall environmental footprint.

Printing Inks and Circular Economy
For long, EuPIA members enable the recycling of printed paper products through the supply of suitable printing inks that are readily de-inkable. In this sense they have always contributed their share to a circular economy approach. EuPIA continues to participate in the European Recovered Paper Council (ERPC), a cross industry platform of European federations committed to support paper recycling. EuPIA monitors discussions on the Circular Economy in Europe, triggered by the Commission Communication "Closing the loop - An EU action plan for the Circular Economy", published in December 2015. As the recycling targets for paper based products may affect the technologies for the recycling of paper, the scope of the EuPIA Task Force "Mineral Oils in Publication Inks" has been expanded to now also include general aspects of paper recycling vis-à-vis requirements which may result from the new circular economy policy.

ARTISTS' COLOURS

European Artists' Colours Association: rebranding, increasing visibility and raising awareness.

A NEW IDENTITY FOR ARTISTS' COLOURS IN EUROPE

In 2016 the CEPE Artists' Colours (AC) Sector Group has re-branded itself as the European Artists' Colours Association, EuACA, and launched a new website at www.artists-colours.org. The aim is to increase visibility of the sector, as distinct from other CEPE sectors, and raise awareness of the good work done by its members in areas of common interest. Target audiences for the site include potential new members, customers (typically retailers, but perhaps also some consumers), regulators and other industry sectors such as suppliers. The pages host information about the work of EuACA and documents produced by the sector (such as 2015's advice on sensitising biocides), as well as links to the websites of its members. EuACA will also continue to strengthen its links and cooperation with related organisations such as NAMTA and ACMI.

TECHNICAL FOCUS SHOWS ITS VALUE

The AC Technical Committee continues its approach of two dedicated meetings per year, separately from the annual business meeting, and participation has grown steadily. The TC's engagement on the proposed EU restriction for cadmium pigments in artists' paints, which involved provision of technical data, preparing written comments and raising awareness among artists, paid dividends when the European Commission published its final decision in October 2015. An EU restriction was ruled not to be justified, and Member States may not take similar unilateral action to restrict these pigments. This issue is happily now closed until such time as any new evidence emerges which would merit a new evaluation.

The TC actively monitors numerous other 'substances of interest' to provide early warning of any future regulatory actions (see also separate article), and gives input to ECHA consultations and to other CEPE working groups such as the Biocide Users Task Force. CEPE also works closely with the European associations of the toy and writing instrument industries to monitor developments in the migration limits in the Toy Safety Directive 2009/48/EC, and supports the work of the relevant standardisation bodies; for example in 2016 the TC has provided input on the list of approved biocides for an amendment of EN 71 Part 7 on finger paints. Furthermore the AC TC's specific needs and ideas on labelling have contributed to the elaboration of ECHA guidance on labelling (e.g. fold-out labels) and will continue to be developed in future activities (see Hazard communication article).

At the time of writing the 'best practice' guideline, being developed to advise artists on safe and responsible use and disposal of colours, is being expanded to include advice on correct methods of application. This is intended to help protect members against claims as well as future regulatory controls, and the document will become a key publication for the EuACA website as mentioned above.

PROMOTING THE VALUE OF ART AND CREATIVITY

Advocacy on the value of art and creative development in education has proved successful in the USA, and it is desired to do something similar in Europe although there is no EU-wide coordination of educators or policy. A EuACA core group has been formed to develop messages which can be used on a country-by-country basis; this can include sponsoring research if appropriate.

Marine coatings

The fate of anti-fouling paint is getting a better perspective.

Copper compounds have been approved

Most anti-fouling paints use copper compounds as biocidal agent to foul organisms, typically in combination with an organic biocide. Anti-fouling paints are biocidal products and have to be authorized at national level under the new EU Biocide legislation (BPR) when all active substances they contain have been approved. This is now the case after many years of review and hard work.

Our member companies placing on the market anti-fouling paints are therefore very busy identifying which of their paints they are able to support and are busy preparing application files for them. This represents significant burden both in terms of efforts and costs. A significant wave of dossier submissions is expected by early 2018.

Why can't our members maintain all their existing anti-fouling paints?

For two reasons. First the rules have changed. The new EU rules are more stringent than previous national systems, where they existed. It has become very difficult to pass the risk assessment criteria, both for the environment and for human health. It does not mean that paints are more dangerous than previously but it is the precautionary measures inherently built under the new EU system that makes it over-conservative. Second the costs to support one paint have 'sky rocketed' since all the burden has to be supported by industry, including the work of the employees of national ministries. The consequence of setting a high barrier is that only a few can jump over it.

Have advocacy efforts been useful?

The continuous efforts made to advocate for anti-fouling paints have finally conducted competent authorities to address the remaining 'sticky points'. In Q1 2016 two workshops were organized, one dealing with dermal absorption and one dealing with environmental risk assessment. A dedicated group of ECHA took this on board, together with key representatives of Member States and industry. It seems that, overall, the importance of keeping anti-fouling paint on the EU market has been understood for commercial ships as risk assessments inside harbour – a human disturbed environment by definition – should not be necessary, only just outside it where the dilution factor to the sea or to the ocean is naturally greater. For pleasure crafts some Member States will make it more difficult and we expect to see issues with Mutual Recognition.

Protective coatings

Standards for corrosion protection

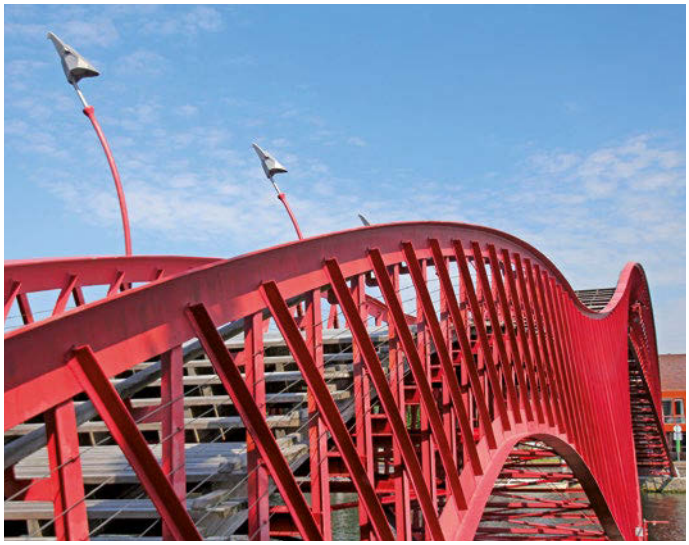
The Sector of Protective Coatings is highly active in the main standard for their industry being the ISO 12944. Currently the attention is on review and renewal of

» part 5; Protective paint systems
» part 6; Laboratory performance test methods
» part 9; Off-shore and related systems

Potential restrictions in the use of Isocyanate

The Technical Committee discussed in a sub-group the possible implication of a general EU wide restriction of use to trained professional. It identified the most relevant products on the market and their possible content of free di-isocyanates above 0.1%.

The sector will be also involved when a restriction for 2K Isocyanate systems would come in the form of 'a requirement for certified applicators'. The group then has to focus on the content for trainings.



Can coatings

Several Member States took preventive measures regarding BPA. This situation creates uncertainty with regards to the legal use of BPA in food contact materials and brings negative effect on consumer confidence.

The CEPE Can coatings Sector Group has a number of challenges ahead. The food contact legislation for coatings is not harmonized in Europe and our industry has been calling for this for two decades. The declaration of compliance is increasingly difficult due to the complexity of the supply chain and the evolving legislation. The CEPE Code of Practice has served its purpose for 15 years. Its update is necessary but it is put on hold until we see what Belgium and The Netherlands will come up with end 2016, early 2017.

CEPE CODE OF PRACTICE'S INVENTORY LISTS

The list of substances in use in members' coatings is part of the CEPE Code of Practice and identifies 4 categories for monomers and additives (A to D). It is not up to date and members are under increasing pressure from their customers and some local Authorities to confirm that all substances have been assessed according to the EFSA standard. A key difficulty is to obtain confidential information from suppliers on the raw material compositions. The group agreed a year ago that the inventory list should be checked against the current situation. Members sent their company information confidentially to CEPE who anonymized the outcome. It appears that there are a significant number of resin based products and additives with unknown compositions currently in use. The fact that our members do not have a complete understanding of the substances they use does not mean that they cannot confirm compliance with the Code of Practice (CoP), since this is done through an external institute who has that knowledge. However, it increases the burden and leads to the difficulty in following up the legislative developments. There are also over one hundred and fifty substances in lists B and D that are still in use. The substances in these lists have been assessed in the past by at least one authority, but probably not according to the current standard.

The CEFIC Food Contact Additives (FCA) Panel representing suppliers was requested to address the missing information, but the workload involved lead them to answer negatively. Another letter will be sent by our members to their suppliers to urge them to act as the current unofficial way of doing as B2B is not satisfactory.

BELGIAN AND DUTCH DRAFT LEGISLATIONS

Legislation development has been ongoing in Belgium and in The Netherlands for a number of years. They should be similar and will cover can coatings. The Dutch authorities are reviewing the lists of substances that they will accept (a list is expected in the autumn 2016). The difficulty that we experience is linked to the uncertainty that all substances in use will be positively listed (as explained above) and if not, who is going to petition. Should the Dutch legislation be complete enough then it would be very useful to our members since mutual recognition would apply for the other Member States.

As stated above the suppliers of raw materials will be asked to check their substances against the Dutch so called 'Warenwet list'. The Declaration of Compliance (DoC) in the Warenwet indeed requires this information. The suppliers will have to confirm that all their substances, including catalysts, are on the list. The difficulty that our members will have in the future is that if the Warenwet list changes the DoC should be checked against the changes, which requires the involvement of suppliers. If substances are covered under the 'no migration principle', it is still the can coating manufacturers who have to demonstrate that through testing, which requires the disclosure of identity. Also the Warenwet is specific with CAS numbers when suppliers sometimes give

generic statements on families of compounds, as referenced in Council of Europe (CoE) Resolutions.

ACTIVITIES AT EU LEVEL

EU COMMISSION

EFSA re-assessed the entire toxicological database of Bisphenol A (BPA) and concluded over a year ago on the safe use in can coating. Despite this several Member States took preventive measures. Following this situation the EU Commission drafted a measure on BPA. In its roadmap end 2015 it summarized the situation as follows:

'Recently, some EU Member States have introduced national bans on the use of BPA in both plastic food contact materials under these safeguard measures, as well as for other materials such as coatings. Denmark and Belgium have introduced national bans on the use of BPA in food contact materials for infants and young children; Sweden has introduced a ban on BPA only in coatings and varnishes for food contact materials for infants and young children and France has banned BPA in all food packaging, containers and utensils. The legal obligation for the Commission to act applies to those Member States who have invoked such grounds as to use Article 18, namely France, Denmark and Belgium. All these Member States as well as Sweden notified their measures insofar as they are relevant for materials for which no specific harmonised measures exist at EU level as required by the 98/34 notification procedure'

This situation creates uncertainty with regards to the legal use of BPA in food contact materials and brings negative effect on consumer confidence. It also distorts the internal market.

The draft measure should correct this. A vote is expected in September 2016.

Members are under increasing pressure from their customers and some local Authorities to confirm that all substances have been assessed according to the EFSA standard.

EU PARLIAMENT

The EU Parliament Research services issued a report in May 2016 as on 16 July 2015, the coordinators for the European Parliament's Committee on Environment, Public Health and Food Safety requested authorisation to draw up an implementation report on the Food Contact Materials Regulation (EC) No 1935/2004.

It recognizes that 'the lack of specific measures at EU level for some food contact materials/articles negatively impacts the functioning of the internal market for the relevant material/article and its food safety. Stakeholders - across businesses, consumers, environmental and health NGOs, researchers, as well as Member States' competent authorities - are in favour of specific measures at EU level for the FCMs that are not yet harmonised at EU level.'

The Can coatings Sector Group of course participated in the survey.

The Parliament ENVI group therefore made a recommendation for a harmonized legislation for all food contact materials and a recommendation to provide more funding to EFSA to allow for safety evaluations for areas other than plastics, but also recommendations on topics such as cocktail effects, NIAS, substances under REACH and other.

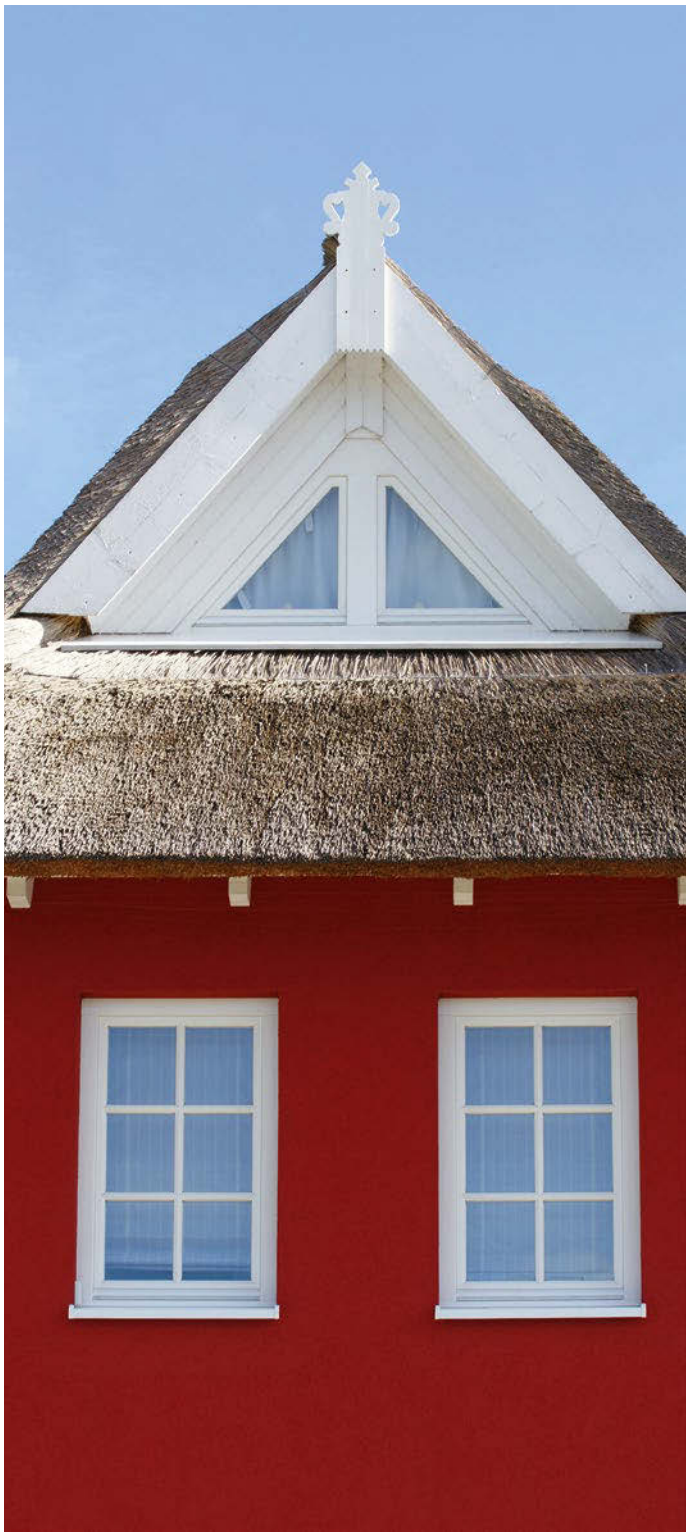
MIGRATION TESTING AND NIAS

The conditions for migration testing that apply to plastic materials do not always apply to can coatings. Hence for the past year a sub-group has been working on developing guidelines and has been advocating this to the relevant Authorities.

A sub-group is also addressing the issue of Non Intentionally Added Substances (NIAS). The applicability of bioassays for genotoxicity for food contact materials is being examined.

Decorative coatings

Consumers buy paint, apply paint and inhabit spaces that are painted. All these aspects need to be considered when one wants to place a decorative paint on the market.



When you buy paint; labels.

Ecolabel

The Ecolabel criteria for indoor and outdoor decorative paints and varnishes were published in May 2014. The current criteria for indoor and outdoor wall paints are valid until May 2018. Several issues and discussions took place since then with the most important ones for the SVOCs measurement, derogation on some substances and expiration of the licenses that were in force until 28 February 2016. The new User Manual was released in March 2016 and the Green Public Procurement criteria are expected to be released soon.

What will be the future of the Ecolabel? The EU's considerations

The future of the Ecolabel is something that has been discussed a while now. Before that period and based on the Workplan for 2016-2018 that the Commission released to the EUEB members, they will perform an evaluation on the prolongation or revision of the criteria. In addition to that, the European Commission has launched a programme called Commissions Regulatory Fitness and Performance Programme (REFIT) which aims at assessing the effectiveness, efficiency, coherence, reference and EU added value of specific parts of the EU Acquis. The EU Ecolabel and the EU Eco-Management and Audit Scheme (EMAS) regulations will be part of this exercise. Based on this programme, the Commission has identified several actions that will try to improve the EU Ecolabel framework. The main ones are:

- Actions related to the role of the EUEB that should be more political and less technical and for very technical discussions Ad Hoc groups will be created etc. Competent bodies will be more involved in this type of meeting and a Strategic Task force on EU Ecolabel uptake will be created in order to assess the need for the revision/prolongation or withdrawal of the current criteria.
- The User manuals will be used by all CBs that will be shorter, more user-friendly and published and revised timely. This update will be done in collaboration with the competent body and the chairman of the competent body forum.
- A specific task force for the reduction of the Ecolabel criteria where possible, focusing on the main environmental impacts by maintaining a high credibility of the scheme at the same time.
- There is a clear reference of the EU Ecolabel in the Circular Economy package that has been adopted in December 2015. The discussions will start soon on this topic in order to increase the effectiveness of the Ecolabel and its contribution to the circular economy.

CEPE's opinion on the Ecolabel

CEPE members position to the new requirements:

» With squeezing the amounts and the number of substances that are critical for producing a paint with good performance it gets evermore difficult to have Ecolabel go together with a 'good quality' paint.
» Understanding the requirements and the derogation lists becomes ever more complex.

CEPE members seriously question if the effort to get an Ecolabel will be worth it.

CEPE members would still support the Ecolabel instrument as being a means to give the consumer a choice for a more environmental friendly product. But the criteria for a renewed Ecolabel should:

» Be better balanced. Allowing for a good quality of paint
» Not take the wet product as subject but the applied paint (where it has its function).
» No longer take just the presence of a substance as the criterion but the risk it may pose.
i.e. not the content but its potential to inflict.

CEPE proposes for criteria of paints:

» No criteria for the wet paint while this has to be already conform the chemical regulations as we have in Europe; REACH, BPR, CLP etc.
» For the applied paint use the holistic approach from the Product Environmental Footprint and its ratings which form a balance between performance and costs to the planet.
» Only to look at the risk a paint substance may pose when it would be emitted or leached from the applied paint under normal use conditions. Existing schemes for indoor air quality or outdoor leaching could be used.
» Add derived from the Circular Economy policy new criteria that translate to the relevant impacts for paint; stimulating recycling of paint and its packaging.

This opinion will be shared with the EU.

Product Environmental Footprint

The PEF project is closely followed by the Deco sector. For the status and next steps see under Sustainability. Also when the project is finished the DECO sector will discuss how to proceed with the results from PEF. The Commission at the Steering Committee of June announced that after the pilot phase, there will be an evaluation of the results and in parallel the policy discussions on the potential of PEF will start after May 2017.

When you apply paint; how much and how often?

Survey on consumer uses of paint and SCEDs

We reported last year some key findings from the survey, while stating that some additional investigations were needed in order to best extract information on use patterns that can be used to revise the SCEDs (Specific Consumer Exposure determinants). The Specific Consumer Exposure Determinants are indeed required under REACH to allow suppliers to conduct the appropriate risk assessments using realistic scenarios using robust figures. The robustness of the existing figures were indeed controversial.
We involved right at the start of the project the independent Dutch institute RIVM as they developed the consumer exposure model ConsExpo and intend to review their paint factsheet. Having them on board facilitated the acceptance of the data and we had hoped that they could conduct this year a statistical review of the figures from the survey. Unfortunately they had to postpone their work on paints. In the meantime we had committed to ECHA to publish revised SCEDs by the summer of 2016. Hence we contracted out the statistical analysis and supported the additional costs ourselves.

When you stay in a painted room; what comes off the wall?

INDOOR AIR QUALITY

Status of the issue

Given the absence of EU direction there have been several Member States that initiated their own decrees on this topic. A fundamental difference between these decrees exists in which products can be placed on the market. Some accept different classes on IAQ others allow only products that comply with staying below the maximum levels of the health adverse substances.

As today there are decrees in force in DK, FI, DE, FR, BE and in preparation in Lithuania.
The main instruments and reporting with these national decrees are:

» Test methods: all harmonized and based on the same CEN norm with minor deviations in the execution of testing.
» Max. levels of the health adverse substances: most have their own while some have similarities; if there were EU levels some indicated their willingness to switch to these.
» Reporting schemes (i.e. classes and labelling etc.) most have their own while some have similarities.

CEPE strives to minimize the damage of a European patchwork of decrees by advocating at the authorities of a Member State that considers an IAQ decree:

» To allow for placing on the market of products with different classes on IAQ
» The use of the CEN Test Methods
» The use of the EU harmonized LCI values

CEPE continues to evaluate a reporting scheme that may someday be supported by the EU's Standing Committee on Construction and which could offer a possibility to exert some harmonizing power towards national authorities.

INTUMESCENT COATINGS

What can be done to establish a level playing field for reactive / intumescent coatings across Europe?

The biggest challenge currently for the European Intumescent Coatings sector continues to be the distortion of the market, due to the lack of sufficient controls regarding the products used, in terms of their certification, performance level, testing, and overall quality. The message from the CEPE community, represented at the meetings of the Intumescent Coatings Technical Committee (ICTC), remains the same as it has been for the past decade – the market is unbalanced and unhealthy, and the authorities need to listen to industry and address this promptly and as a high priority.

The need for action

One would think that fire safety, and protective methods to ensure minimal loss of life in the event of a building catching fire, would be a top priority for governments, committees and organisations associated with the construction industry. Yet, over the last few years, this issue has been brought to the attention of numerous people in responsible positions at national and European level on many occasions, without any obvious progress being made. This is an almost perverse situation – usually industrial sectors would try and fight or minimise the impact of any new legislation on their business. On this occasion the sector is actively welcoming and encouraging authorities to take a greater interest in the intumescent coatings sector, to bring in mandatory CE marking, and a long-awaited step change in how the market functions, and ultimately to ensure that the best fire safety measures are employed in the European construction industry.

Mandatory CE Marking as a way to rebalance the market

The main approach to meeting this challenge is the industry's call for the EU Commission to establish a mandate for the European Standards body (CEN), for a Standardisation Request / harmonised European Norm (hEN) for various fire protection elements, including reactive (intumescent) coatings on various substrates. Once such a harmonised Standard is established then intumescent coatings would be able to introduce CE Marking as a compulsory element for all manufacturers to comply with resulting, one would hope, in a level playing field. Several drafts of this mandate have been discussed since the middle of 2014, and all have been welcomed by the parties involved, yet a final mandate is still eagerly awaited.

The ICTC members continue to exert pressure wherever possible to encourage progress – the latest comments from the UK government's representation to the Standing Committee for Construction (SCC) in April 2016 suggested that, apparently due to the bureaucracy of the system, the earliest date that this mandate may potentially be realised would be early 2017. As any harmonised Standard would probably then take a further 2-3 years to be written, agreed and finalised, a further five years or more of an unbalanced intumescent coatings market in Europe can be expected, which is clearly unacceptable to our industry.

As any harmonised Standard would probably then take a further 2-3 years to be written, agreed and finalised, a further five years or more of an unbalanced intumescent coatings market in Europe can be expected, which is clearly unacceptable to our industry.

Third Party Certification – why is it failing the industry?

So what else can be done in the meantime? One way of approaching this is to ensure a comprehensive and proficient method to the testing and certification of products. There is a clear benefit for this to be done by a third party, to ensure that a full set of testing is done to the correct Standards, and that the relevant results are reported and assessed to ensure adequate product performance meeting the fire requirements as appropriate. The CEPE ICTC members have all signed up to a voluntary code of practice to use third parties to certify their products, despite the additional costs involved with this. There are several Standards currently in use, including BS EN 16623:2015, which was intended to be a step forward in ensuring increased use of best practices related to the testing, specifying, manufacture and inspection of intumescent coatings.

Unfortunately this approach does not mean that all products meet a common set of minimum performance standards, as the quality and competency of certification bodies carrying out such testing varies significantly across the different EU Member States. Our members encounter (on a monthly basis) substandard certificates for commercial intumescent coatings, with insufficient information, mixed methods and details, and testing referring to incorrect Standards. These non-compliant assessments are reviewed by the Certification Bodies across Europe, but there appears to be a lack of procedure and/or resource to control and prevent these from being approved, and hence for the product to enter the market. A mechanism by which these certificates may be withdrawn or cancelled also appears to be lacking. Manufacturers can easily identify where a certificate lacks the correct minimum amount of data, and these issues are brought to the attention of the appropriate authorities, yet little to no action is taken.

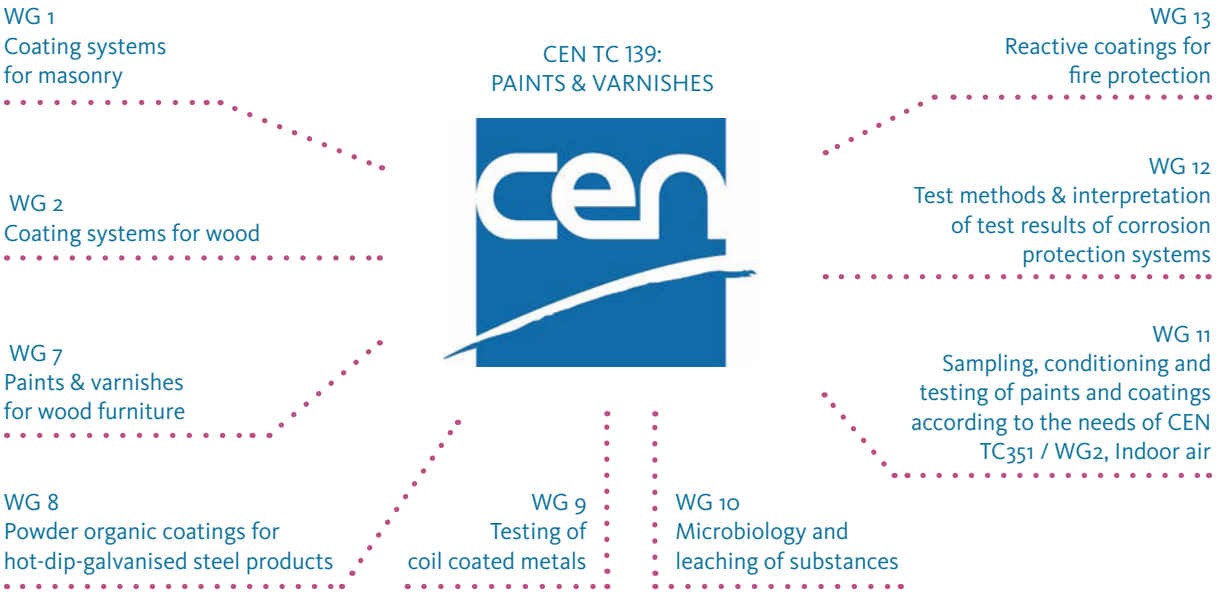
Currently the European Organisation for Technical Assessment for construction products (EOTA) has a major role to play in the activities of these certification bodies, yet appears to be unable to police a system that is open to misinterpretation and misuse. Separate to this, there is activity currently underway to replace the existing European Technical Approval Guidelines (ETAGs) for intumescent coating certification (ETAG 018 part 2) with a European Assessment Document (EAD), which could be a further opportunity to tighten up on certification procedures. However, this activity has met with considerable delay, due to the failure by involved parties to agree on the scope of the EAD (the original instruction to the Technical Board at EOTA was to replace the ETAG with an EAD without any technical changes).

In conclusion.....

The intumescent coatings sector continues to spend a great deal of resource and effort to try and address the issues related to the un-level playing field currently in place. The continued delays to the approach that should lead to mandatory CE-marking, and the failings of the current procedure to certify intumescent coatings, are major challenges that should be of prime concern to government officers, and organisations which have responsibility for products used in the construction industry, especially as this relates to fire protection measures and thus, ultimately, to saving the lives of members of the general public.

Active Standardization bodies for Paints

Diagram of the sector and working groups for the respective technical committees CEN TC 139 and ISO TC 35.



CEPE Board members

The European Council of the Paint, Printing Ink and Artists' Colours Industry strengthens the position of the paint, printing ink and artists' colours industries in Europe. It is run by a Board of 15 company representatives.

JEAN-MARIE GREINDL
PPG

J.-M. Greindl has graduated Cum Laude as Commercial Engineer from the Université Libre de Bruxelles (ULB) in 1987. He joined Petrofina in Belgium where he held several marketing positions. Since 1999, he entered the paint business; first as General Manager at Polifarb in Poland; then as President of the French affiliate of the SigmaKalon Group where after several years he became active as the Director of the Southern European region. Since 2010 he is a member of the European Leadership Team and Director of PPG Industries, s.a.r.l. VP PPG Automotive Coatings, EMEA. He acted in 2009-2010 as Vice-President of the French paint association.

RUUD JOOSTEN, AKZONOBEL

Member of the Executive Committee responsible for decorative paints AkzoNobel. Past functions:

» Jan. 2011 - May 2013: Managing Director Pulp and Performance Chemicals AkzoNobel/President EKA Chemicals AB
» Jan. 2008 - Jan. 2011: Managing Director Decorative Paints North East Europe AkzoNobel
» Jan. 2006 - Jan. 2008: Managing Director Decorative Paints Europe North AkzoNobel
» Jan. 2001 - Jan. 2006: General Manager Trade Decorative Paints AkzoNobel, the Netherlands, Belgium, Spain and Italy
» May 1996 - Jan 2011: Marketing Director Decorative Paints AkzoNobel
» May 1988 - May 1996: Various Sales and Marketing Jobs in Sigma Coatings (PPG)

CEPE Board members

ALAIN BARONNIER
AXALTA COATINGS

Since 2013-12-01, Vice President of Axalta Coatings Europe (Europe Middle East & Africa), located in Cologne. Joined DuPont de Nemours (Engineering Polymers) at the end of the 80's in different Sales, Product Management positions while attending Finance and Business courses at Paris. Worked in 5 different divisions. Joined DuPont Performance Coatings business in summer of 2008 as Global Powder Business Director till end of 2009, where after European Marketing Director in 2010 and Automotive OEM Global Business Director till November 2013.

HARALD BORGHOLTE,
BASF COATINGS

April 1991: joined BASF
» Vice President, Strategic Marketing & Product Development BASF. Member of the Global Senior Steering Committee BASF Coatings GmbH. 23 years in the Coatings Industry in various fields
» Vice President Strategic Planning Coatings
» Vice President Global Business Management Automotive Refinish
» Director Technology Management Automotive Refinish

JACQUES MENICUCCI
ALLIOS

Born in New York (USA) in 1953 from French parents, he settled in France at Marseilles. Joined Allios Paint Company in 1978 after graduating from Marseilles Business School (ESCAE), completed with a financial diploma DECS. Today CEO of Allios Paint Company, he is mainly in charge of Business Development which concerns National Domestic activity and moreover International Development. Allios Paint Company is mainly involved in the Deco paint market through Professional or Do-It-Yourself distribution networks. Allios is a family owned company, more than 150 years old. Sales are around EUR 60 million and Allios employs 330 persons. Jacques Menicucci has been involved for many years with France's national paint Association FIPEC and served on the CEPE Board from 2004-2010.

ANDRÉ VIEIRA DE CASTRO, ARAGOL

Current function/responsibilities: Chairman/CEO since 2007 of a 4 mio € company with no more than 35 co-workers. 2 sites, water based in Leiria (120km south of Lisbon), solvent based in Famalicão (30km south of Oporto), main responsibilities in Strategy and New Business Developments, team motivation, leadership, recruitment, institutional representation, community lobbying, ...

HERBERT FORKER, SIEGWERK DRUCKFARBEN

Since august 2002, CEO of Siegwerk Druckfarben AG & Co. KGaA. Prior to his assignment at Siegwerk, he was President and CEO of Tesa Tape Inc, Charlotte, NC, USA. He served also in several management positions with Beiersdorf. Since 2004: Member of the Eupia Council, former member of the German Paint and Ink Association (VdL), Former member of the CEPE Board (2006-2012)

New Board members at General Assembly 2016

DIRK AULBERT FLINT GROUP GMBH (DE)

Technical Director Flexible Packaging EMEA

GEOFF MACKRILL TEAL & MACKRILL LTD

CEO

TILL IVERSEN, IMPARAT FARBWERK

1987 - 1992 Master of Business Administration (Dipl. Kaufmann) at the University of Hamburg. During his years of study he spent one semester in Berkley California. Afterwards he obtained some working experience at the company Schwarzkopf in Los Angeles. In 1993 he started at Imparat Farbwerk and became one of the two managing directors one year after. Since 2002 he runs the company as the sole CEO. He is serving as Vice-Chairman in the northern division of the German Paint Association (Deutscher Lackverband) for the last 6 years. Imparat Farbwerk was established in 1905 and is still a family owned paint company. The company has a turnover of 30 Million € with 180 employees. Decorative paints, polymer emulsions and industrial paints are produced in the two plants. In decorative paints the focus is mainly on the German professional painters. The polymer emulsions are sold, Europe wide, mainly to paint companies. The industrial paints have their focus on general industrial paints and marine paints.

GEERT DUIJGHUISEN BARIL COATINGS B.V.

Current function/responsibilities:
Owner/CEO of Baril Coatings B.V., Baril Coatings B.V. Etten-Leur
Member of VVVF Board (since 19-11-2015)

Past functions:

1982 - 1987	R&D Chemist Ameron
1987 - 1990	R&D Chemist Tollens
1990 - 1995	R&D Manager Baril Coatings B.V.
1995 - present	Owner Baril Coatings B.V.

Involvement (past or present) with the National Association:
Member of VVVF Board (since 19-11-2015)

JOAQUIN FOCH RUSINOL FAIXAT INDUSTRIA TITAN

November 2012 - Present IOMANDO TECHNOLOGIES S.L.N.E, Sector: New technologies, Partner
September 2011 – Present INDUSTRIAS TITAN S.A.,Barcelona
Sector: Manufacture of Paints and Varnishes, Vice-President
February 2011 – June 2011 KPMG Advisory, Barcelona
Sector: Financial Risk Management, Risk analysis (Market, Credit, Operational). Participation in projects in different financial institutions
September 2008 – Present CORVER S.A., Barcelona
Sector: Wholesale of accessories and spare parts for motorcycles, Partner

Board members for RE-ELECTION

MICHAEL JORGENSEN, BECK & JÖRGENSEN

CEO of Beck & Jorgensen, has been Member of the Danish Coatings and Adhesives Association since 1984. In 1986, Jorgensen became a Board member of the Danish Association. Since 2010 the coatings industry manager has been Chairman of the Danish Association.

ERKKI JÄRVINEN, TIKKURILA

The manager has worked as President and CEO of Tikkurila since the year 2009. In the past, his functions included President and CEO of Rautakirja Oy, a Finnish-based retail company with a turnover of EUR 850 million, which is active in Finland, the Baltics, the Netherlands, Germany, Russia, Romania and the Czech Republic. Also from 2009 onwards, Erkki Järvinen has been Vice Chairman of the Finnish national organization. During the last years, Erkki has repeatedly given presentations at CEPE conferences.

CARLO JUNGHANNS, J. COLORS SPA & ARSONSISI SPA

who was born in the year 1951, holds a degree in Political Science and Marketing. Representing the third generation in a family of entrepreneurs, Carlo Junghanns joined the family company in the early 1970's. During more than 40 years, he has concentrated on promoting the firm's expansion through a series of acquisitions and developments aimed at strengthening positions in both the decorative paints and colorants business and the industrial coatings sector. He has been an active participant in the Italian coatings trade-association AVISA and since 2010 has been involved in the industry association Assovernici of which he was a founding member.

Board members for RE-ELECTION

EU Sector Group Chairmen

CAN COATINGS

Neil Finley
Grace Darex
Germany

COIL COATINGS

Pasi Niemisto
The Valspar Corporation
Finland

DECORATIVE COATINGS

Thierry Destruhaut
Associate Director
Technical Marketing & Innovation
PPG Architectural Coatings
The Netherlands

MARINE COATINGS

Bjorn Tveitan
Sales Director Marine
Scandinavia Jotun Coatings
Norway

POWDER COATINGS

Bjorn Karlsen
Jotun Powder Coatings (N) AS
Norway

ARTISTS COLOURS

Nils Knappe
Managing Director,
H. Schmincke & Co. GmbH & Co.KG
Germany

PROTECTIVE COATINGS

Gerard de Vries
AkzoNobel
The Netherlands

VEHICLE REFINISH

Peter Maassen van den Brink
Valspar
The Netherlands

PRINTING INKS

Herbert Forker
Siegwerk
Germany

EU SECTOR GROUP CHAIRMEN

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