



Product Stewardship in the Supply Chain

Joint Cefic / Fecc Product Stewardship Guidelines



Product Stewardship in the Supply Chain

Responsible Care[®] is the chemical industry's **global** voluntary initiative under which companies, through their national trade associations, work together to continuously improve their health, safety and environmental performance, and to communicate with all relevant stakeholders and with the public about their products, their processes and achievements.

The **Responsible Care**[®] ethic helps our industry to operate safely, profitably and with due care for future generations, and **contributes significantly to sustainable development**.

Product Stewardship is Responsible Care applied to chemical products and covers more than just production and use of chemicals. It extends across the product life cycle from product development to storage, transport, use and eventual disposal. To be effective, product stewardship requires the close co-operation of everyone involved in each aspect of the product's life cycle. Companies are working with their suppliers, customers, distributors and user groups to promote Responsible Care throughout.

For distributors - Product Stewardship means seeking to address environmental, health and safety risks throughout all stages of a product's life, and concerns all parties who design, develop, manufacture, handle, transport or use chemicals along the supply chain. Manufacturers and distributors are active in Product Stewardship with a view of giving to all partners along the supply chain the necessary advice to help them ensure their safety and health, as well as the safety of the environment.



Product Stewardship

Guidance on sharing of product responsibilities between suppliers and distributors

These Guidelines are the outcome of a cooperative effort by Cefic and Fecc.

A first edition was published in 2002. This 2nd edition has been drafted taking into account legislative developments such as REACH¹ (Registration, Evaluation, Authorisation and Restriction of Chemicals). The main goal of these guidelines is to provide a common reference and recommendations which chemical suppliers and distributors are encouraged to use.

Each supplier or distributor should apply these guidelines under their own responsibility and in accordance with their own operational requirements. No part of these guidelines may be used or interpreted in a way which would conflict with existing international, EU or national law, including competition law. In any case, applicable regulatory and legal provisions will always take precedence over any part of these guidelines.

The guidelines describe how health, safety and

environmental (HS&E) responsibilities can be shared between suppliers and distributors so that both deliver their **Responsible Care** and **Product Stewardship** commitments all along the *life-cycle* of products.

Product Stewardship and REACH

Product Stewardship and REACH compliance management are closely related/ interrelated. The chemical distributor relies on the support and expertise of the chemical supplier to respond independently to the health, safety and environmental questions they may face.

Ideally, the relationship will be complementary, with the chemical distributor having a large product range and a wide customer base which allows an intimate knowledge of the market and its competitive forces. The supplier, on the other hand, will be focused on manufacture with deep knowledge of the application

1. REACH is the European Community Regulation on chemicals and their safe use; Regulation (EC) No 1907/2006 It deals with the Registration, Evaluation, Authorisation and Restriction of Chemical substances. The law entered into force on 1 June 2007. (OJ L396,1. Corrected version in OJ L136/2007, 3)

and development of the product. However, when a supplier delivers directly to end market customers, the same principles of Product Stewardship will apply.

In Europe the chemical industry and distribution sector are busy with the implementing of REACH. During the implementation of REACH a lot of new information and data about the toxicological and ecotoxicological properties of substances and their use and exposure will be generated. Often this will change the way we should use chemicals. The task for the chemical industry and distribution will be to translate this data into understandable rules and instructions for the users.

The REACH Regulation provides a framework in which information can be passed

both up and down the supply chain. Distributors and manufacturers are therefore facing a situation where REACH Title IV adds duties and obligations to provide and update the relevant information in the supply chain.

Every manufacturer, importer, downstream user and distributor has a duty to gather and keep all information relevant to their obligations under REACH for a period of at least 10 years after they last manufactured, imported, supplied or used the substance or mixture. They are obliged to make this information available without delay when requested to do so to any Competent Authority of the Member State in which they are established or to the European Chemicals Agency (ECHA). The information duty should be kept in mind when reading the recommendations below.

Selling the chemical

Supplier (Manufacturer, Distributor in its role as importer, Importer and DU under REACH and CLP)

- Have a legal obligation to check that there is no conflict with local or EU laws and regulations.
- Support the distributor with information and resources, where appropriate.
- If relevant, it is recommended that the supplier will check that the distributor can handle the chemical safely.

Distributor² (according to REACH and CLP³),

- Will check to ensure that the sale and planned use of the chemical:
 - does not conflict with local or EU laws and regulations (so called trade regulations) like
 - REACH
 - CLP
 - Precursors (chemical weapon, explosive, drug)
 - PIC (Prior Informed Consens)
 - does not conflict with Industry Codes of Practice which a company decided to follow.
 - is not sold for illegal use.
- If relevant, it is recommended that the distributor check that the customer can handle the chemical safely.

² For the role of a distributor, according to REACH and CLP, see definition section of the Guidelines

³ CLP: Regulation (EC) No 1272/2008 on Classification, Labeling and Packaging of substances and mixtures (OJ L353/2008, 1)

Substance Registration

Supplier (Manufacturer and Importer under REACH and CLP)

- The manufacturer or importer is responsible for (pre)registration of a substance or of the different components (substances) of a mixture. He is responsible for updating (pre)registration when required.
- Ensure (pre)registration of the substance is in compliance with REACH.
- Ensure that the supported uses of the substance are covered by the Chemical Safety Assessments

Distributor

- The registration number (the legal entity related last 4 digits may be omitted in well defined cases) will be communicated through the supply chain to distributors and DUs by the Safety Data Sheet or another documentation provided by the supplier to enable appropriate risk management measures. No additional communication of the registration number is legally required further in the supply chain. The communication of this information may take time

- (for certain tonnages*). Where a Manufacturer or Importer is unable to include a use for reasons of protection of human health or environment, he shall provide ECHA and the DUs with the reasons without delay.
- Notified the substances under CLP where applicable.

*If hazardous need to produce an ES (Exposure Scenario)

- and may not reach distributors until sometime after the registration deadline.
- DUs have the right to make their uses known and if their uses are not covered by the registration dossier(s) and in the SDS, they should provide their supplier with sufficient information to cover the missing uses.
- Distributors shall pass the information provided by DUs on their uses up the supply chain.

Classification, Labelling and Packaging, for Supply and Transport

Supplier (Manufacturer, Importer and DU under REACH and CLP)

- Will classify, label and package the chemical in compliance with legislation related to classification, labelling and packaging for supply and transport³.
- Will make best efforts to ensure that the chemical is also in compliance with local legislation, if country is known by the supplier. If it is not, detailed arrangements will be mutually agreed to ensure a responsible resolution prior to operations.

Distributor

- Distributor shall ensure that the chemical is classified, labelled and packed in compliance with legislation related to classification, labelling and packaging for supply and transport. This shall also include chemicals, which are pre-packed by the supplier.
- Distributors may use the classification for a substance or a mixture as submitted by an actor in the supply chain, provided that they do not change the composition of the substance or the mixtures.
- DUs may use the classification for a substance or a mixture as submitted by an actor in the supply chain, provided that they do not change the composition of the substance or the mixtures.

Handling, Storage and Transport

Supplier (Manufacturer, Importer and DU under REACH and CLP)

- Ensure compliance with the relevant legislation in the territory.
- Give detailed advice where appropriate to audit and support the distributor, including information on reported accidents and related preventative measures.

Distributor

- Ensure compliance with the relevant legislation in the territory.
- Develop Responsible Care guidance relevant to the operations of the distributor.

Safety Data Sheets

Supplier (Manufacturer and Importers under REACH and CLP)

- Shall supply a SDS where required under REACH. Write/translate it into the national language to comply with the REACH and/or CLP legislation.
- Although supplier may also decide to submit safety information via a SDS when not legally required.
- Importers shall compile the SDS for chemicals imported from outside the EU
- Ensure that the SDS is consistent with the Chemical

Distributor (according to REACH and CLP, a distributor is considered as a DU when conducting repackaging, relabelling and mixing activities)

- Shall check that the content and language of the SDS applies to the territory and either issue the supplier's SDS or re-write/translate it into the national language to comply with the REACH and/or CLP legislation.
- Ensure that the relevant Exposure Scenarios for supported uses are appended to the SDS, when required.

Safety Report(s) (if required)

- Append the relevant Exposure Scenarios for supported uses to the SDS, when required.
- Provide any information useful to a safe use of the chemical and, as a minimum, sufficient data to enable distributor to comply with laws in the territory and special requirements by local authorities.

- Ensure to supply the SDS, where required under REACH, to your costumers.
- Pass on any relevant additional information to their customers.

Product Development / Use

Supplier (Manufacturer, Importer and DU under REACH and CLP)

- Shall support the distributor with technical service and advice on new developments and findings and where possible, be familiar with new risks and regulatory developments.
- Make for a new supported use, if not already covered, the Exposure Scenario available to the distributor.

Distributor

- Where possible, shall inform the supplier of new uses or uses advised against, new potential risks and regulatory developments in the territory.
- Distribute new Exposure Scenarios through the Supply Chain, if the new use is supported.

Product Defects

Supplier (Manufacturer, Importers and DU under REACH and CLP)

- Shall support the distributor's investigations, complying with pre-engaged arrangements. May consider to have a quality system in place.

Distributor

- Shall follow up all customer complaints and analyse them for service or product failure and unsuitable applications. Inform the supplier. May consider to have a quality system in place.

Chemical and Packaging Disposal

Supplier (Manufacturer, Importers and DU under REACH and CLP)

- Shall support the distributor by taking a chemical back for recycling or advising on the 'best practical environmental option' for that chemical.
- Consider feasibility or returnable packaging and support distributor.
- Agree a disposal or recycling procedure for a chemical and its packaging with distributor where appropriate.

Distributor

- Shall dispose unsold or defective chemicals according to the laws of the territory and Responsible Care.
- Examine the feasibility of using returnable packaging and discuss with the supplier and/or the customer.
- Discuss and agree a disposal or recycling procedure for a chemical and its packaging with supplier where appropriate.

Product Dossier and Database

Supplier (Manufacturer, Importers and DU under REACH and CLP)

- Capture all relevant information in a Dossier and / or by other methods. Periodically review and analyse this data for significant trends etc..
- Share all relevant data and assessment with distributor in compliance with competition law.

Distributor

- Capture all relevant information in a Dossier or by other methods. Periodically review and analyse this data for significant trends etc..
- Share all relevant SHE information and assessment with supplier in compliance with competition law.

In addition,

It is strongly recommended to the SUPPLIER to

- ensure as far as reasonably possible that the distributor can receive, handle, use and dispose chemicals safely.
- keep a record of the ability of a distributor to respond to incidents at warehouses, at customer's premises and during transport.
- terminate sales to a distributor if he considers it represents an unacceptable risk to the company or stakeholders.

It is strongly recommended to the DISTRIBUTOR to

- where appropriate ensure that customers can receive, handle, use and dispose chemicals safely.
- terminate sales to a customer if he considers they represent an unacceptable risk.
- terminate purchase from suppliers if they represent an unacceptable risk to the company or stakeholders.
- where appropriate, ensure that the supplier can produce, handle, use and dispose the chemicals safely.
- train and provide relevant information to their staff, where applicable, in order to ensure they sell and handle the chemicals safely.

These guidelines represent a framework around which Suppliers and Distributors can best meet their commitment to Responsible Care.

Definitions and Explanations

Supplier	Any manufacturer, importer or downstream user or distributor placing on the market a substance, on its own, in a mixture or a mixture. ⁴
Manufacturer	Any natural or legal person established within the Community who manufactures a substance within the Community. ⁵
Importer	Any natural or legal person established within the Community who is responsible for import. ⁶
Downstream User	Means any natural or legal person established within the Community, other than the manufacturer or the importer, who uses a substance, either on its own or in a mixture, in the course of his industrial or professional activities. A distributor or a consumer is not a downstream user. A re-importer exempted pursuant to Article 2(7)(c) of REACH shall be regarded as a downstream user. ⁷
Distributor	Means any natural or legal person established within the Community, including a retailer, who only stores and places on the market a substance, on its own or in a mixture, for third parties. ⁸ Note: According to REACH and CLP, a distributor is considered as a downstream user when conducting repackaging, labelling and mixing activities.
Life Cycle	Is the environmental and health impact (material and energy consumption, water and air emissions, waste), taking into account the whole product life cycle, from design to end-of-life disposal.
REACH	Acronym for Regulation (EC) No 1907/2006: Registration, Evaluation, Authorisation and Restriction of Chemicals. REACH requires registration of all substances manufactured or imported into the EU in volumes of one metric tonne or more. REACH will be implemented over the next decade according to tonnage band.
GHS	United Nations' Globally Harmonized System of Classification and Labelling of Chemicals.

CLP	CLP or CLP Regulation is the new European Regulation (EC) No 1272/2008 on classification, labelling and packaging of substances and mixtures. The legislation introduces throughout the EU a new system for classifying and labelling chemicals, based on the United Nations' Globally Harmonised System (UN GHS). CLP is about the hazard identification and classification of chemical substances and mixtures and how to inform others about them.
Dangerous Goods	Dangerous goods are substances, mixtures or articles that pose a risk to people, property or the environment, due to their chemical or physical properties. They are usually classified with reference to their immediate risk. ⁹
Transport of Dangerous Goods	Means the movement of dangerous goods, including delays and need for transport, including the movement necessary accommodation of dangerous goods in the vehicles, tanks and containers before, during and after relocation. This definition includes the temporary storage of dangerous goods between the change of mode of transport or transport (transfer). Transport is regulated by different regulations depending on the transport mode and region of the world. All these regulations are based on UN model regulations. In Europe Road is regulated by ADR, Rail by RID and inland water ways by ADN. Worldwide regulated are Sea by IMDG and Air by IATA. ⁹
Safety Data Sheet (SDS)	<p>The Safety Data Sheet provides a mechanism for transmitting appropriate safety information on classified substances and mixtures, including information from the relevant Chemical Safety Report down the supply chain to the immediate downstream users. The information provided in the Safety Data Sheet shall be consistent with the information in the Chemical Safety Report, where one is required.</p> <p>An annex which contains relevant Exposure Scenarios shall be added to the SDS whenever there is a requirement to prepare an Exposure Scenario. Exposure Scenarios are required for substances for which the Chemical Safety Assessment concludes that they meet the criteria for classification as hazardous¹⁰ or they are assessed to be a Persistent, Bioaccumulative, Toxic chemical (PBT) or very Persistent and very Bioaccumulative (vPvB).</p>
Supply Chain	Supply chain is the network of businesses involved in the supply of goods or services. The supply chain begins with the supply of raw materials and ends with the consumption of the good or service and includes all organizations, employees, resources, technology, and information involved in the process.
European Chemicals Agency (ECHA)	The Agency established for the purposes of managing and in some cases carrying out the technical, scientific and administrative aspects of the REACH and CLP Regulation and to ensure consistency at Community level in relation to these aspects. The Agency is based in Helsinki, Finland.
Chemical	Means a substance or a mixture as defined in REACH or CLP. The term "mixture" has the same meaning as the term "preparation" previously used in European Community legislation.

4 REACH article 3 (32), CLP Article 2 (26)

5 REACH article 3 (9), CLP Article 2 (15)

6 REACH article 3 (11), CLP Article 2 (17)

7 REACH article 3 (13), CLP Article 2 (19)

8 REACH article 3 (14), CLP Article 2 (20)

9 UNECE (United Nations Economic Commission for Europe): Transport – Dangerous Goods.

10 According to CLP Regulation (EC) No 1272/2008

What we do?

Responsible Care[®] helps the industry to operate safely, profitably and with care for future generations. Through the sharing of information and a rigorous system of checklists, performance indicators and verification procedures, **Responsible Care**[®] enables the industry to demonstrate how its health, safety and environmental performance has improved over the years, and to develop policies for further improvement.

Responsible Care[®] requires companies to be open and transparent with their stakeholders – from local communities to environmental lobby groups, from local authorities and government to the media, and of course the general public. It has driven a transformation in the way that companies operate: from being secretive and defensive about their activities, to being more open, honest, and actively seeking dialogue and partnerships with stakeholders.

The initiative is intentionally flexible in order to transcend differences in culture, national legislation, and so on, thereby enabling all chemical associations and their member companies – wherever they are in the world – to adopt Responsible Care and adapt it to suit their situation.

Nevertheless, there is a common set of Fundamental Features that all associations must adhere to, ensuring the initiative remains true to its core ethic.

Responsible Care[®] is the world's leading voluntary industry initiative - it is run in 60 countries whose combined chemical industries account for nearly 90% of global chemicals production.



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