

Implementation
Strategy on Management of Substances
2nd Progress report

The Dutch version was accepted by the Council of Ministers
on October 4th 2002. The Dutch text takes precedence.

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Summary
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Objective of this report

This 2nd report on the implementation of the new chemicals policy looks at the progress being made in the Netherlands and makes clear the policy elements that the cabinet wishes to see anchored in the new pending European legislation on substances. The report also clarifies the way the cabinet has worked out the details of the commitments made during the most recent debate in the Dutch parliament on the new policy.

Glancing back

The process of introducing the new policy on substances got going in Europe a few years ago. For that process the Netherlands devised the Strategy On Management of Substances (SOMS) that was designed to renew policy on chemical substances in all its facets. Central government, the industrial community and non-governmental organisations are participating in the programme.

The policy on substances is described in the policy memorandum on the Strategy On Management of Substances (TK, 2000-2001, 27646, nos. 1 and 2) and in the 1st progress report on the implementation of that policy (VROM-2002-29). Both documents were debated on two occasions in the Lower House (TK, 2000-2001, 27646, no. 9; TK, 2001-2002, 27646, no. 10).

The industry in the Netherlands has undertaken to contribute to the implementation of the new policy on substances in the form of a declaration of intent (April 2001) and a work plan to implement the declaration of intent (February 2002). The industry says that the chemicals policy should be part of an integrated environmental policy and that there has to be a harmonised chemicals policy in the EU.

Why new policy?

The need for a new policy on substances in Europe is incontrovertible. In both the European Commission's White Paper on chemicals¹⁾ and in the strategy memorandum mentioned earlier reference is made to the manifest problems with substances and substances in products. Workers are exposed to substances which have not been sufficiently investigated to see whether they are harmful to health. Citizens are being confronted with products which are being called into question because of certain chemical ingredients (substances).

The authorities have worked out extremely careful evaluation procedures at international level. As a result these have become so labour-intensive and time-consuming that they do in fact pre-empt hazardous substances being tackled effectively. Of the tens of thousands of substances on the market the authorities have only been informed of the risk data of several hundred. Hence the authorities and the industry are not living up to the expectations of the public at large that the environment in which they live and work is a

1) White Paper - Strategy for a future chemicals policy (COM (2001) 88)

safe one where chemicals are handled in a responsible fashion. The toxicity of the surface waters of the major rivers can only be explained to a limited degree by known substances. And lastly it is still the case that the industry is confronted with fragmented policy, and as a result with unnecessary expense.

A new policy at national and at international level

The analysis of the problem given in a nutshell above led to a new policy being devised which took as its basic point of departure a new harmonised European policy on substances. This was necessary to ensure that the industry would be able to properly implement the policy on a safe and responsible management of substances. A European chemicals policy is necessary because of the international dimension to the production of chemicals and products and the trade in these.

However, the pending European policy based on the White Paper on chemicals does not cover all the present tasks of the authorities.

The Dutch government is seeking to achieve not only a new European chemicals policy in which European legislation constitutes a sound basis for a harmonised implementation of the policy on substances in practice, but also considers it necessary to coordinate existing national and international policy on emissions, products, the granting of permits, working conditions etc. so that the implementation of policy can be more effective and more efficient. This would mean that the problems mentioned earlier would be solved more effectively and the expense for the industry of implementing the policy would be much lower.

The cabinet also believes that proper implementation of the new chemicals policy, in any event in the Netherlands, stands to gain from implementation agreements being concluded between the government and the industry. If need be amendments to legislation can be of help here in so far as this is possible and reasonable.

Progress with European policy on substances

Since the White Paper on chemicals was presented in 2001 and discussed in the Environment Council, the European Parliament and the Internal Market Council, the Commission has been working on proposals for legislation. These are expected to be presented to the Council in late 2002.

In the coming period the Dutch government will be assessing its position on these proposals for European legislation primarily on their effectiveness, feasibility and the costs for both the industry and the government.

Ambitious aims but also practical instruments?

The goals that have to be achieved with the new European and national policy are ambitious and enjoy widespread support. Within twenty years the hazards and risks of all substances must be known and the industry, and if need be the authorities, will have had to take such adequate measures that the risks to humans and to the environment are nil or negligible. The phasing of the interim goals on the way towards the ultimate objective has been arranged by the Commission in the White Paper on chemicals in a similar way to the phasing chosen by the Dutch government in the strategy memo-

random. However, there is a difference in approach between the proposals of the Commission and the Dutch government when it comes to the instruments to be deployed in the near future (2003-2005).

The international industrial community has already indicated in various studies and publications that the Commission's proposals are too expensive and impractical. International industry has calculated that the evaluation system for chemicals (REACH) proposed by the Commission could cost about 80,000 to 450,000 euro per chemical. Assuming that at least 30,000 to 70,000 of the 100,000 existing substances would have to be assessed by the REACH system, this would bring the total figure to at least two billion euro but possibly four to seven billion euro.

Such estimates, debatable though they may be, demand a rethinking to see whether the proposed evaluation system for substances needs to be supplemented by a prioritisation that does justice to the aim for which the system was set up, namely guaranteeing adequate protection for humans and the environment.

Hence the Dutch government in the coming period during which the Commission is expected to produce proposals for European legislation, will continue to argue for the introduction of a prioritisation in the near future that cuts down on the expensive testing of substances, reduces the use of animal tests to the absolute minimum and achieves an adequate protection of humans and the environment faster.

Essential elements to be incorporated in the new European policy

The government believes that three additional elements are essential in the short term (2003-2005) for a future European system aiming at adequately implementing chemicals policy:

- **Prioritisation by means of a *quick scan***

Both the Council and the European Parliament have urged for a prioritisation of the 100,000 existing substances so that those most relevant to society can be assessed with priority and measures taken accordingly.

The *quick scan* method proposed by the Netherlands is an excellent instrument for achieving this pre-selection or prioritisation. The *quick scan* assumes that if there is no standardised information about the risks of the substance available in the public domain, prioritisation can nevertheless take place with limited data on the hazardous properties of that substance and an estimate of its use (as an indication of the possible exposure of humans and the environment to the dangers of the substance). The fact that the *quick scan* method uses existing European and other criteria and decision-making rules makes it a serious candidate for the purpose of prioritising as part of the new European chemicals policy. A preliminary estimate of the savings to be produced by a *quick scan* clearly shows that at least 10,000 of the 30,000 to 70,000 existing substances need not be tested in accordance with the proposed European system, because these substances present no danger to humans and the environment on the basis of the *quick scan* results. This represents a

saving of around 15% to 30% on animal testing and on other testing costs. At the same time the relevant substances are tested faster, which enhances safety.

The industrial community in the Netherlands endorses the importance of a *quick scan*. The international industrial community has also come out in favour of prioritising substances to restrict costs.

- **Public availability of data on hazards and exposure as they emerge from the *quick scan***

Both the Council and the European Parliament have urged for essential information on substances to be disclosed with a view to a safe use of substances, bearing in mind intellectual property rights. Public availability is also intended to enable consumers and professional users of substances to make choices.

The same wish underlies the public availability of the *quick scan* results. Moreover public availability of essential *quick scan* data may reduce the use of animal testing and make policy cheaper to implement.

- **Operationalising product chain responsibility by communication in the chain, beginning with communicating *quick scan* results**

Both the Council and the European Parliament have advocated better communication between the links in the product chain. Communication should not be understood as the handing over of information by means of a safety information sheet, which is compulsory under current legislation, but should take the form of a well-considered partnership between the supplier and customer throughout the entire product chain.

Product chain responsibility is also aimed at discovering at an early stage in the product chain the risks attached to certain substances, in products or otherwise, so as to avoid problems further down stream. The duty to share the results of the *quick scan* and the underlying data with the partners in the product chain serves as an additional stimulus to getting the communication going between manufacturers and customers and thus to product chain responsibility. The Dutch government recently published a draft Chemical Substances (Classification and Registration) Decree for opinion-gathering purposes (Strcr. 2002, 138) and simultaneously notified this to the European Commission. This duty is stipulated in the Decree. In addition a proposal has been submitted to the Dutch parliament for its information laying down rules on product chain responsibility in a wider context (preliminary draft of Chapter 9, Environmental Management Act “Substances, preparations and other products”).

Progress with implementing new policy in the Netherlands: government initiatives

Since the first progress report a number of activities announced and promised have been implemented:

- The setting up of a chemicals office at the National Institute for Health and the Environment (RIVM) has been agreed also at the request of the Lower House. The setting up of this so-called Chemicals Expertise Centre (SEC) is being prepared. Before the end of 2002, after interdepartmental consultations have taken place, the contract will be signed between the director-general for the Environment and the director-general of the RIVM stipulating the organisational arrangements and the tasks of the SEC in so far as these relate to implementing the current statutory tasks and the implementation of the new chemicals policy. In due course the SEC will become the expertise centre of the Dutch government for scientific and societal issues connected with the hazards and risks of substances and their management.
- The government has started developing two instruments with which the Netherlands is preparing for the coming European legislation. These are the draft Chemical Substances (Classification and Registration) Decree and the preliminary draft of Chapter 9, Environmental Management Act “Substances, preparations and other products”.
- The recently drafted text of the preliminary draft of Chapter 9, Environmental Management Act “Substances, preparations and other products” (June 2002) and the social debate on the contents of this constitute the preparations the Netherlands is making for the proposals for European legislation on substances which is due shortly.
- The new chemicals policy is currently being incorporated into existing policy frameworks such as the Netherlands Emission Guideline for Air [Nederlandse Emissie Richtlijn Lucht (NeR)], the Annual Environmental Reporting [Milieujaarverslag (MJV)] and the Company Environmental Plans [BedrijfsMilieuPlannen (BMP)], while the comparison with the General Assessment Methodology (GAM) for water has already taken place. Moreover, central government is taking into account the parameters to be set by the new chemicals policy in its (sustainable) purchasing policy and in granting environmental seals of approval.

Progress with implementing new chemicals policy in the Netherlands: the industry's initiatives

The industry in the Netherlands has embarked on a great many activities for the purpose of implementing elements of the new chemicals policy since the publication of the strategy memorandum mentioned earlier.

- In April 2001 the confederation of Dutch industry VNO-NCW, representing the industry, drew up a declaration of intent on the implementation of the innovations in the chemicals policy. The declaration has been converted into actual activities by means of a work plan (February 2002). VNO-NCW has meanwhile set up a steering party at a high level in the organisation which is responsible for doing the necessary coordination among the branches in implementing the declaration of intent. At the moment the government is consulting with VNO-NCW to come to agreements on the design and structure of a knowledge infrastructure

- for substances. This will simplify communication on the hazards and risks of substances and products.
- The chemical industry, represented by the Association for the Dutch Chemical Industry [Vereniging van de Nederlandse Chemische Industrie (VNCI)] and the Union of Traders in Chemical Products [Verbond van Handelaren in Chemische Producten (VHCP)], and the government are at present working on a short-term agreement to implement the innovations in the chemicals policy. If the agreement proves to be a sound way for the chemical industry to contribute to the new chemicals policy, this will obviate the need for the draft Chemical Substances (Classification and Registration) Decree to come into force.
 - The industry has launched seven pilot projects for the new policy based on the SOMS pilot project funding scheme. These pilots involve business (or combinations of businesses and institutions) gaining practical experience with implementing the new chemicals policy in such a way that this can serve as an example for other businesses and branches. These initiatives will be completed in mid 2003.
 - A number of branches has started activities which are closely linked to the new chemicals policy. Recently the Dutch Soap and Detergent Association [Nederlandse Vereniging van Zeepfabrikanten (NVZ)] informed the Ministry of Housing, Spatial Planning and the Environment (VROM) of the initiatives it had launched (September 2002). The Association of Paint and Printing Ink Manufacturers [Vereniging van Verf- en drukinktFabrikanten (VVVF)] and the Netherlands Association for Entrepreneurs in the Car Bodywork Industry [Nederlandse vereniging van ondernemers in het carrosseriebedrijf (FOCWA)] are working on an action plan for implementing SOMS that is expected to be completed by the end of 2002. The Dutch Federation for Rubber and Plastic [Federatie Nederlandse Rubber- en Kunststofindustrie (NRK)] has announced in a letter that it is undertaking various activities as part of the new chemicals policy (September 2002).
 - With the new policy on substances in mind activities have been devised for one thing by the VNO-NCW, the manufacturers of plasticisers and the Cycle and Automobile industry [Rijwiel en Automobiel Industrie (RAI)] as part of the policy statement on plasticisers (TK, 2001-2002, 28492, no. 1).

Policy memorandum on the Implementation of the Strategy On Substances Management

The policy memorandum on the implementation of the Strategy On Management of Substances promised to the Lower House in 2003 will deal among other things with the anchoring of European legislation in Dutch legislation and the implementation of the chemicals policy in which the existing and new agreements with the industry are playing an important role.

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1 New chemicals policy in the Netherlands

1.1 Introduction: manifest problems require new chemicals policy

1.2 Initiatives towards policy innovation by Member States and the Commission

1.3 Common elements in the initiatives and responses to them

1.1 Introduction: manifest problems require new chemicals policy

This second report on the implementation of the new chemicals policy looks at the progress being made in the Netherlands and makes clear the policy elements that the cabinet wishes to see anchored in the new pending European legislation on substances. The report also clarifies the way the cabinet has worked out the details of the commitments made during the most recent debate on the new policy.

The process of introducing the new policy on chemicals got going in Europe a few years ago. For that process the Netherlands devised the Strategy On Management of Substances (SOMS) that was designed to renew policy on chemicals in all its facets. Central government, the industrial community and relevant non-governmental organisations are participating in the programme.

The policy on chemicals is described in the Policy Memorandum on the Strategy On Management of Substances (TK 2000-2001, 27646, nos. 1 and 2) and in the 1st progress report on the implementation of that policy (VROM-2002-29). Both documents were debated on two occasions in the Lower House (TK 2000-2001, 27646, no. 9; TK 2001-2002, 27646, no. 10). Dutch industry made a commitment to implementing the main elements of the new policy in a declaration of intent (April 2001) and a work plan relating to the declaration of intent (February 2002). In that document the industry says that the chemicals policy should be part of an integrated environmental policy and that there has to be a harmonised chemicals policy in the EU.

The need for a new policy on chemicals in Europe is incontrovertible. In both the European Commission's White Paper on chemicals²⁾ and in the strategy memorandum mentioned earlier, reference is made to the manifest problems with substances and substances in products. The Environment Council, the European Parliament, other member states and the Dutch parliament have supported the analysis of the problems presented.

Put simply, the problems manifest themselves at all sorts of levels - working conditions, environmental quality, product safety - and affect both citizens, government and industry.

- Workers are exposed to substances which have not been sufficiently investigated to see whether they are harmful to health. For instance, the Health Council recently advised the Ministry of Social Affairs and Employment to withdraw a number of threshold values (MAC values) which had been accepted from the US because of a lack of supporting data.³⁾ This makes it even clearer that handling and/or managing substances responsibly, even in the work situation, is not yet sufficiently advanced for risks to be avoided. It is also becoming increasingly clear

2) White Paper - Strategy for a future chemicals policy (COM (2001) 88)

3) Health Council. Press release, Updating threshold values for substances in the workplace, 7 March 2002

that information about the risks of substances must be publicly available. Only then can we respond immediately to the risks, instead of years later when the damage has already been done.

- The marine environment is still a repository for discharges. The European Commission once again notes this problem in its “Strategy for the protection and conservation of the marine environment”, which was presented at an OSPAR meeting in June 2002. The toxicity of the surface waters of the major rivers can only be explained to a limited degree by known substances.
Recently an advisory report issued by the Health Council⁴⁾ once again highlighted the risks for humans and the environment arising from exposure to combinations of substances. Not only is there great ignorance of the effects of exposure to individual substances (as a result of the limited knowledge or lack of knowledge available about the toxic and other properties of many of these substances), but little if anything is known about the potential effects of exposure to combinations of substances.
- Citizens are increasingly faced with products which are controversial because of certain ingredients (substances). For many years the European Community has been wrestling with the fact that consumer and other products repeatedly contain substances which are the subject of long-running scientific debates. This leads to decision-making being postponed and to public alarm. Some examples are phthalate-containing PVC toys intended to be placed in the mouths of children and brominated flame retardants in various products. It is suspected that the flame retardants are not only toxic but also accumulate in high concentrations in fatty tissue and are not easily biodegradable. One consequence is that when these substances are released into the environment, they can no longer be removed and they may ultimately end up in human tissue. It appears that current European policy is not properly equipped to deal with such substances and problems.
- In practice, the industry is faced with fragmented policy and therefore with unnecessary costs. For instance, policy in respect of emissions into the environment and working conditions policy are not yet sufficiently coordinated. The majority of environmental pollutants, including pesticides and animal and human medicines, are covered not by chemicals policy but by separate legislation. As a result the implementation of chemicals policy, and therefore the responsible management of substances, has become unnecessarily complex and expensive.
- Government and political parties have to admit that, to date, they have not been able to fulfil the expectations of citizens, that is to provide a safe living and working environment in which substances are managed responsibly. A recent audit of chemicals policy in Norway illustrates this point. The audit revealed that the Norwegian government cannot offer

4) Exposure to combinations of substances: a system for assessing health risks no. 2002/05, 16 July 2002

sufficient guarantees on safety and the environment. Apparently the departments involved in Norway (including the inspectorates) either lack a satisfactory overview of the substances which are used and their inherent dangers, or else the practical implementation of policy fails to match the policy intentions.⁵⁾

The analysis of the problem given in a nutshell above led to a new policy being devised which took as its basic point of departure a new harmonised European policy on chemicals. This was necessary to ensure that the industry would be able to properly implement the policy on a safe and responsible management of substances. A European chemicals policy is necessary because of the international dimension to the production of chemicals and products and the trade in these. However, a new harmonised European chemicals policy is not all that is required.

There are a number of national and local issues which require a national policy framework to supplement European measures. For instance, a satisfactory chemicals policy should support the system of permits which can regulate restrictions on substance emissions.

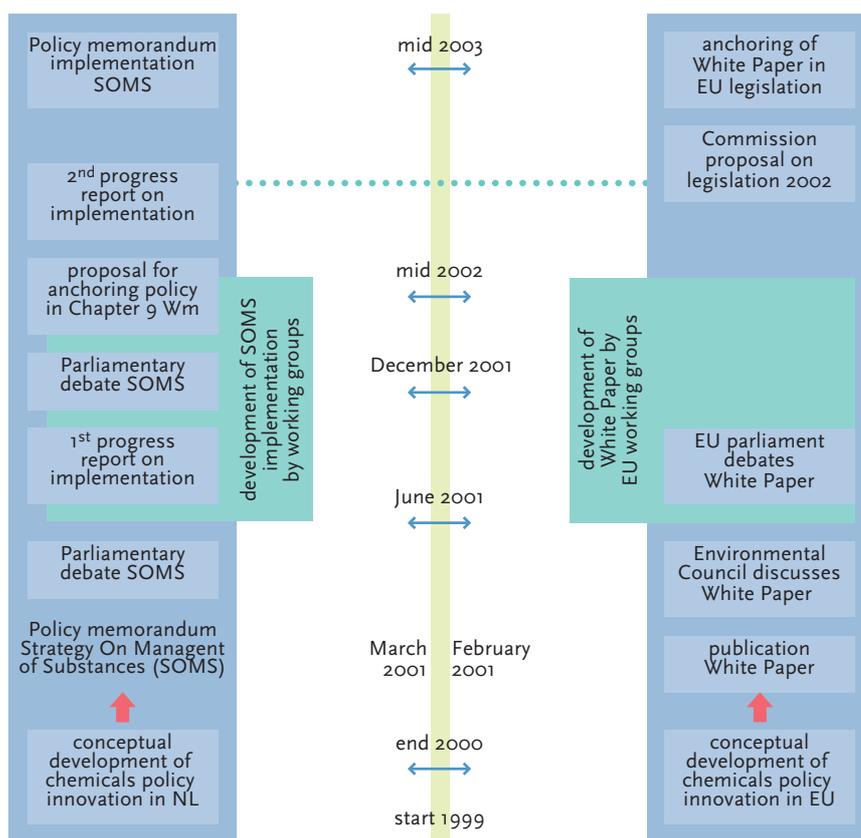
The Dutch government is seeking to achieve a new European chemicals policy in which European legislation constitutes a sound basis for a harmonised implementation of the policy on chemicals in practice. It also sees the need to coordinate existing national and international policies on emissions, products, the granting of permits, working conditions etc. so that the implementation of policy can be more effective and more efficient. This would mean that the problems mentioned earlier would be solved more effectively, and the expense for the industry of implementing the policy would be much lower. The cabinet also believes that proper implementation of the new chemicals policy, in any event in the Netherlands, stands to gain from implementation agreements being concluded between the government and the industry. If need be, amendments to legislation can be of help here in so far as this is possible and reasonable.

1.2 Initiatives towards policy innovation by Member States and the Commission

One of the items discussed at the informal meeting of the Council of Environment Ministers in Chester in April 1998 was whether the present EU policy on chemicals provides an adequate policy approach. Based in part on the evaluation of a number of existing EU instruments by the European Commission, in June 1999 the Council set out a number of conclusions for a future strategy on chemical substances within the EU.

Following a request from the Council in June 1999, the European Commission drew up a White Paper on chemicals ('Strategy for a future chemicals policy' dated February 2001) in which it set out a new chemicals

⁵⁾ Source: Office of the Auditor General investigation, Press Release: Insufficient monitoring of emissions of hazardous chemicals in industry and agriculture, 28 June 2002



policy. Since the White Paper on chemicals was presented in 2001 and discussed in the Environment Council and in the European Parliament, the Commission has been working on proposals for legislation. These are expected to be presented to the Council in late 2002.

The Commission is expected to enact into law the REACH system (Registration, Evaluation and Authorisation (granting permits) of Chemical substances) which was proposed earlier to guarantee (1) the protection of health of humans and the environment, (2) effective operations of the internal market, and (3) maintenance and improvement in the competitive position of the chemical industry.

Alongside the European Commission, many individual Member states, such as the United Kingdom, Denmark, Sweden and the Netherlands have been working to develop ideas on the new chemicals policy since the Chester meeting. In the Netherlands this has resulted in a new chemicals policy which is described in the policy memorandum on the Strategy On Management of Substances mentioned above (SOMS, 2001). This memorandum describes a number of initiatives by other countries and summarises the common elements of the initiatives.

1.3 Common elements in the initiatives and responses to them

The Commission and the Member states share concerns on the quality of the living and working environments. It is their express wish to guarantee the safety of substances and products. They note that essential data for most substances are available in extremely limited form or not at all, and that public availability of this data is nil. Given the widespread acknowledgement of the problems, the strategies of the European Commission and the various Member states have a number of elements in common. These include:

- an ambitious objective;
- to restrict, ban or replace hazardous substances immediately;
- all substances to be accompanied by the information on hazards and risks that is deemed necessary;
- a system of European regulations which can be implemented in practice.

The Dutch and international industrial community agrees with the analysis of the problems and the objectives of the new chemicals policy which is to be created. For instance, on behalf of many industries in the Netherlands, VNO-NCW has declared its intention that “within 20 years only products which can be used safely and cleanly will be on the market” and to “share knowledge about the potential risks of substances so that society can be confident that all the links in the product chain manage substances responsibly”.⁶⁾

The responses of both the Council⁷⁾ and the European Parliament⁸⁾ to the Commission White Paper on chemicals demonstrate that they acknowledge the problems highlighted and the objectives described. In line with the agreements made in 1995 at the 4th Ministerial Conference on the North Sea, which were subsequently anchored in the OSPAR framework and in the European Water Framework Directive, the emphasis was placed on achieving the objectives within a single generation and on preventing emissions of PBT substances (persistent, bio-accumulating toxic substances) after 2020. (For a definition of PBT substances refer to the 1st progress report on implementation of SOMS.)

At the Johannesburg Summit on sustainable development it was agreed that significant harmful effects of chemical substances on health and the environment must be minimized by 2020.

The international trade union movement supports the main principles outlined in the White Paper on chemicals.⁹⁾ They support the precautionary and substitution principles and, as an extension of this, specifically draw attention to the substitution of VPVB substances (very persistent, very bio-accumulative) and PBT substances. (For a definition of VPVB substances refer to the 1st progress report on implementation of SOMS.)

In order to achieve the stated objectives in good time, the minimum requirement is a pragmatic and efficient system of European regulations. In addition, the regulatory framework must be practical and capable of implementation by industry and governments. Unnecessary work and bureaucracy should be avoided.

6) Letter VNO-NCW Declaration of intent industry-government in respect of the implementation of a new chemicals policy, 2 April 2001
 7) Conclusion of the Environment Council: Commission White Paper - Strategy for a future chemicals policy, 13 June 2001
 8) European Parliament Resolution on the Commission White Paper - Strategy for a future chemicals policy, 15 November 2001
 9) European Trade Unions - Actors for Sustainable Development, An ETUC contribution to the Johannesburg Earth Summit 2002, July 2002

The objectives which must be achieved through the new national and European policies are ambitious: within twenty years the hazards and risks of all substances must be known and the industry, and if need be the authorities, will have had to take such adequate measures that the risks to humans and to the environment are nil or negligible. The phasing of the interim goals on the way towards the ultimate objective has been arranged by the Commission in the White Paper on chemicals in a similar way to the phasing chosen by the Dutch government in the strategy memorandum. However, there is a difference in approach between the proposals of the Commission and the Dutch government when it comes to the instruments to be deployed in the near future (2003-2005).

Chapter 2 discusses the additional measures which the Cabinet deems necessary to supplement the proposals for a European policy. The reactions from the national and international industrial community, the Council and the European Parliament demonstrate that the Dutch government is not alone in desiring these additional measures.

2 A new European chemicals policy requires certain essential elements

2.1 Introduction

2.2 Quick scan: how to set the right priorities in the new policy

2.3 Operationalising product chain responsibility by communication in the chain

2.4 Public availability to guarantee adequate policy implementation

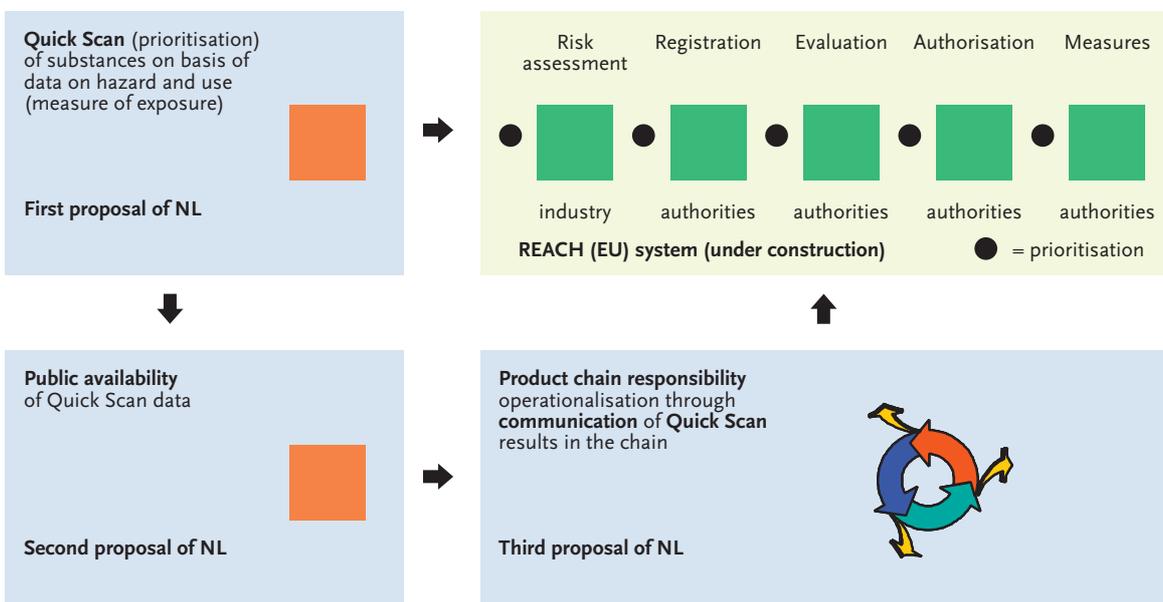
2.1 Introduction

The European Commission is currently working on proposals for new European legislation on substances, based on the White Paper on chemicals, the responses to it from the Council and the European Parliament and the standpoints given by other EU institutions. The White Paper on chemicals and the information disseminated by the Commission on the legislation now being prepared indicate that the draft legislation will concentrate on a registration system. This will include a complete risk assessment and risk reduction strategies, which, in the first instance, are to be drawn up by the industry. The system proposed is known as REACH.

As mentioned above, in a range of surveys and publications the international industrial community has already indicated that the implementation of the Commission proposals is neither cost-effective nor practical.

Both the Council and the European Parliament have urged the development of a fast risk assessment procedure which will prioritise substances satisfactorily before they are incorporated into the REACH system. This will make the new European chemicals policy easier to implement.

In the coming period, during which the Commission is expected to produce proposals for European legislation, the Dutch government will advocate a system of prioritising substances in the short term which does justice to the wishes of the industry, the Council and the European Parliament. The *quick scan* instrument which was developed in the SOMS memorandum and the 1st progress report, makes it possible to limit the number of substances to be tested and to limit the costs involved. It also reduces the use of animal tests to the absolute minimum.



The three elements which are related to the *quick scan* instrument are developed in the following sections (see illustration above).¹⁰⁾ The government believes that these three elements are necessary measures to supplement the future European system of legislation in the first few years with a view to achieving adequate implementation of the chemicals policy.

2.2 *Quick scan*: how to set the right priorities in the new policy

Wishes with regard to the future EU registration system

Both the Council and the European Parliament have insisted on a system for prioritising the 100,000 known substances, in order that those substances which are most relevant to society can be assessed first and the necessary measures can be taken. The system should be flexible enough to allow for early registration and screening of substances which give cause for concern. The Council argues that the new substance registration system proposed by the Commission should be supplemented by a prioritization system which would, amongst other things, guarantee cost effectiveness and ensure that the objective of sustainable use of chemical substances can be achieved.

The Environment Council requests the Commission to “study how to develop screening procedures to effectively identify chemicals with potentially harmful properties or uses of concern for the purposes of prioritising substances for which further information is urgently needed and those requiring accelerated risk management;”

► **Source: Conclusions of the Environment Council: Commission White Paper - Strategy for a future chemicals policy, 13 June 2001**

Like the Netherlands, the European Parliament wants to see a form of registration with minimum data for **all substances** (irrespective of the quantities used) with the emphasis on: physicochemical properties, persistence, bioaccumulation, acute oral toxicity, acute aquatic toxicity, corrosive or irritant effects and, finally, a summary of intended use. The European Parliament also points out the need for the application of a simple system of user categories (industrial/ professional/consumer applications, open/closed system) and a simplified decision tree for additional test regimes in order to meet the deadlines set.

The European Parliament requests “the use of screening procedures based on simplified risk assessment using data modelling, e.g. quantitative structure activity relationships (QSAR) and use patterns to prioritise substances of possible concern for early registration, in addition to tonnage considerations, in order to speed up risk assessments and/or risk management measures of such substances;”

► **Source: European Parliament Resolution on the Commission White Paper - Strategy for a future chemicals policy, 15 November 2001**

¹⁰⁾ Diagram illustrating the elements contributed by the Netherlands to the discussion on future EU legislation designed to make the new policy more practical in implementation.

On the initiative of the European Commission and the European Chemical Industry Council, CEFIC, it has been calculated that the assessment system for substances proposed by the Commission (REACH system) could cost between EUR 85,000 and EUR 325,000 per substance. Bearing in mind the assumption that at least 30,000 to 70,000 of the 100,000 known substances will have to be assessed under the REACH system, this would amount to at least EUR 2 billion in total¹¹⁾, but could rise to between EUR 4 billion and EUR 7 billion.¹²⁾

Such estimates, debatable though they may be, demand a rethink to see whether the proposed assessment system for substances needs to be supplemented by a prioritisation that does justice to the original aim of the system, namely to guarantee adequate protection for humans and the environment.

In a speech Mr Mandery of the CEFIC has indicated that the considerable costs will cause the market for substances with a lower production volume to shift to countries outside the EU. The disappearance of substances will be especially damaging to down stream users.

► Source: Conference on the business impact of the new chemicals policy, 21 May 2002

The industry states that such costs restrict its capacity for innovation and damage the international competitive position of the chemical industry in respect of trade outside the EU. It argues that small and medium-sized businesses in particular will be compelled to incur major costs, since they trade in substances in quantities of approximately one ton per year. This is why the Dutch chemical industry in particular supports the government's desire to supplement the new European policy on chemicals with the *quick scan* instrument.

Prioritisation by means of a quick scan

The *quick scan* method proposed by the Dutch government is an instrument which can achieve the pre-selection or prioritisation required by the Council, the European Parliament and the industry. The application of the *quick scan* as an instrument for prioritisation assumes that if no standardised information on risks (hazard and exposure) is available publicly for a particular substance, it is nonetheless possible to prioritise the substance, using limited data on its hazardous properties and an estimate of the use (as an indication for potential exposure of humans and the environment to the hazards associated with the substance). The Dutch Lower House has approved the *quick scan* method as described in the 1st progress report on SOMS implementation. The fact that the *quick scan* method already uses all existing European and other criteria and decision-making rules makes it a serious candidate for the purpose of prioritising as part of the new European chemicals policy.

11) An article in European Chemical News (4-10 February 2002, pp. 21 - 23) demonstrates that testing a substance with a production volume of one tonne would cost around EUR 85,000 (between 25,000 and 50,000 substances fall in this volume category). Testing substances with a production volume of 10,000 tonnes would cost around EUR 325,000 (approximately 600 substances). The industrial community believes that the European policy will cost the industry billions of euro, since it will cover some 80,000 different substances for which a risk profile will have to be drawn up, even though this will be in stages.

12) The Commission requested an assessment of the costs relating to a range of scenarios (Business Impact Assessment of EU Chemicals Strategy, 2002). The estimated costs are around the same level as that estimated by the industry.

The quick scan in detail

As stated above, the 1st progress report on SOMS implementation (December 2001) gives a detailed description of the *quick scan*, as it has been developed in the Netherlands.

Annexe 1 contains further details of the *quick scan*. Nonetheless, it is desirable to clearly define the position of this instrument in respect of the REACH system developed by the Commission.

Goal of the quick scan

The goal of the *quick scan* is to identify quickly and easily the hazardous properties of **all** substances for which no thorough risk analysis is available, and to make an assessment of the substance use based on the information available. The purpose of identifying the hazardous properties and use of substances is to prioritise (select) substances for further risk analysis and measures. The *quick scan* can also be used to assign such a low priority to substances that, based on the result of the scan, a decision can be taken not to submit certain substance to further investigation of risks and therefore testing, due to the low level of concern they generate.

The *quick scan* can be used by both the authorities and the industry as the first step in the risk management process, since the results of the *quick scan* for a substance are expressed in levels of concern (very severe concern, severe concern, concern, low concern).

Quick scan methodology

The starting point when conducting the *quick scan* is at that all the available data and test data on the hazardous properties and use of the substance should be considered. If no such data are available, the hazardous properties can also be estimated using models, analogy reasoning or even expert judgment. Obviously, the data used to implement the *quick scan* should have been independently validated, for instance through an inspection or by independent experts.

Preconditions for the quick scan

A number of essential preconditions determine the ultimate form and content of the *quick scan* as developed in the Netherlands. For instance, the *quick scan* structure must be simple in order to minimise implementation costs and maximise the accessibility of data and results. The *quick scan* must also be structured in such a way that animal testing is avoided where possible. The *quick scan* instrument must fit in to the generally accepted quality assurance systems in industry (such as Product Stewardship and Responsible Care). In addition, the data required and the criteria and decision-making rules to which they are subjected must be consistent with existing legal and other data requirements, criteria and decision-making rules. Finally, the *quick scan* must be shaped in such a way that not only does it fit into a legislative mould, but also

easily triggers communication about the management of substances at all levels (the authorities, within the industry, with citizens).

Advantages of incorporating the quick scan in REACH

The advantage of incorporating the *quick scan* instrument as the very first stage in a European system of registration and authorisation of substances is that it will provide insight into the hazards and uses of all substances within a very short space of time.

This will therefore clarify immediately which substances are eligible for prioritisation for measures, which may or may not be based on a subsequent risk analysis (on the basis of test data), and which substances do not require further investigation. This reduces the costs of testing substances and of conducting animal testing since the low concern involved means that generic control measures (substance management) are sufficient.

What gains can be made from quick scan?

The industry in particular is concerned about the costs involved in the extensive testing of substances within the REACH framework. Animal welfare organisations are also concerned about the huge increase in animal tests which can be expected if many substances are required to be tested extensively as a consequence of the REACH system. Scientists, but also the Dutch government, are concerned about the fact that there is simply not sufficient research capacity available to test all those substances in the near future, meaning that the present situation, in which society has to live with the fact that we know nothing about the majority of the substances, will have to be continued for several years to come.

The *quick scan* will provide relevant existing data about substances in a short space of time without the need to conduct tests or animal testing, which will achieve cost reductions.

Although at this stage it is difficult to calculate exactly how much money will be saved and how many animal tests can be avoided, a realistic estimate is probably that at least 10,000 substances¹³⁾ do not require further testing. This is because they are expected to fall into the 'low concern' category on the basis of their hazardous properties and use.

The quick scan can be incorporated into European legislation quickly and easily

The Dutch government recently published a draft Chemical Substances (Classification and Registration) Decree for opinion gathering purposes (Stcrt. 2002, 138) 2002, 138) and simultaneously notified this to the European Commission. This Decree regulates the basic implementation of the *quick scan* by the industry. Such a regulation can be integrated easily and simply and at very short notice into the European legislation now being prepared.

13) The estimate assumes that at least 50% of the 70,000 known substances can be allocated to a category of concern using the *quick scan*. Statistics on new substances indicate that at least 30% of the substances are expected to be categorised as of 'low concern'. 30% of 50% of 70,000 substances is approximately 10,000 substances (as the lower threshold) which do not require further testing. This could save an estimated EUR 800 million in test costs.

2.3 Operationalising product chain responsibility by communication in the chain

Operationalising product chain responsibility by communication in the chain, beginning with communicating quick scan results

Both the Council and the European Parliament have advocated better communication between the links in the product chain, both from manufacturers through the chain to end users/consumers and back again. Communication should not be understood as the handing over of information by means of a safety information sheet, which is compulsory under current legislation, but should take the form of a well-considered partnership between the supplier and customer throughout the entire product chain.

Product chain responsibility is also aimed at discovering at an early stage in the product chain the risks attached to certain substances, in products or otherwise, so as to avoid problems further downstream.

The European Parliament has therefore expressed the wish to establish a working group to exchange data and information within the product chain, to ensure the safe use of substances during the entire product chain, on condition that the confidentiality of industry information must be respected.

The Environment Council recognises that “there is a need to shift to industry, including downstream industrial users, the responsibility to generate knowledge about chemical substances and to assess and manage the risks arising from their use, (...)”

► Source: Conclusions of the Environment Council: Commission White Paper - Strategy for a future chemicals policy, 13 June 2001

The industry in the Netherlands has also indicated its desire to shape product chain responsibility. Communication in the chain is an appropriate instrument for this.

“With regard to the duties thatcommunication with, and support of, the supplier and customer in the context of Product Stewardship is a practical way of implementing co-responsibility in the substance and/or product chain.”

► Source : VNO-NCW Declaration of Intent Industry - government on the implementation of innovation in chemicals policy, 2 April 2001

As a matter of principle, the Dutch cabinet takes the view that the parties concerned with marketing certain substances also bear product chain responsibility for their consequences and for the application of those substances in products. The cabinet is convinced that this will benefit the performance of companies. Suppliers and customers should work together not only to collect and exchange data on substance use and associated risks (emissions reduction), but also to prepare risk assessments, to evaluate measures in the context of health and safety at work, to take measures to minimise risks and allow safe use (safer products for consumers). Safe use

implies not simply use by employees, but also by the end-user (professional/consumer).

The duty to share the results of the *quick scan* and the underlying data with the partners in the product chain serves as an additional stimulus to getting the communication going between manufacturers and customers and thus to product chain responsibility. This is regulated in the draft Chemical Substances (Classification and Registration) Decree mentioned above. In addition, a proposal has been submitted to the Dutch parliament for its information laying down rules on product chain responsibility in a wider context (Preliminary draft, Chapter 9 Environmental Management Act “Substances, preparations and other products”). The industry in the Netherlands endorses the importance of operationalising product chain responsibility and would prefer to see this anchored in European legislation.

2.4 Public availability to guarantee adequate policy implementation

Public availability of data on hazards and exposure as they emerge from the quick scan

Both the Council and the European Parliament have urged that essential information on substances should be disclosed with a view to a safe use of substances, bearing in mind intellectual property rights. Public availability is intended to enable consumers and professional users of substances to make choices. In addition, public availability of essential data on substances could reduce the use of animal testing (alongside the use of models as an alternative to animal testing).

The Environment Council stresses that "Further means to improve access to information should be worked out to enable consumers and professional users to make the best choice from an environmental and health point of view."

► **Source: Conclusions of the Environment Council: Commission White Paper – Strategy for a future chemicals policy**

The industry in the Netherlands believes that public availability of data is essential in the context of accountability to society.

In its declaration of intent the industry stated that it intends to be accountable to society, for instance by generating and making available to the public “accountability information” (information available to the public about the properties of substances)."

► **Source: VNO-NCW work plan on implementing the Declaration of Intent on Substances, 20 February 2002**

However, the present situation is one in which the information available about substances does not match the level of knowledge of citizens, which therefore gives those citizens reason to distrust government and the

industry. Measures must be taken immediately to restore the confidence of citizens in government and the industry. In the short term, work can be started to provide citizens with insight into the hazardous properties and risks of products during use so that they can make an informed judgment of the hazards and risks, and satisfy themselves that adequate measures are being taken. It goes without saying that information must therefore be made comprehensible and accessible to citizens.

The *quick scan* results on substances have relevance for citizens and should be shared with them in the near future. The Dutch parliament has approved the cabinet's wish to disclose the results of the *quick scan* with effect from 2005, in line with the provisions of the Aarhus Convention.¹⁴⁾

14) Amongst other things, the Aarhus Convention further develops principle 10 of the Rio de Janeiro declaration (1992). This principle states that every individual should be given appropriate access to information relating to the environment which is in the possession of the national government. This includes information on hazardous substances and activities in the living environment. In addition the citizen must be given the opportunity to participate in decision-making processes. To this end the state must facilitate public awareness and participation by making information widely available. The Convention also discusses public availability of data.

3 Progress in implementing and executing the new chemicals policy in the Netherlands

3.1 Introduction

3.2 Integrated chemicals policy

3.3 Setting up the Chemicals Expertise Centre (SEC): first step towards developing a knowledge infrastructure for substances

3.4 Development of judicial instruments: draft Chemical Substances (Classification and Registration) Decree and the preliminary draft of Chapter 9, Environmental Management Act

3.5 Progress in implementing the ban on 22 VPVB substances

3.6 Implementation of the new chemicals policy in some existing policy frameworks

3.7 Incorporate new policy into parts of government: purchasing policy and army

3.8 Status and outlook for reducing animal testing

3.9 Status of scientific developments relating to the hazard aspect endocrine disruption

3.1 Introduction

A new policy, to which a new harmonised European chemicals policy is the necessary pre-condition (point of departure) for the industry to execute properly a safe and responsible management of substances, is necessary because of the international dimension to the production of chemicals and products and the trade in these.

At the national level the various policy frameworks need to be better coordinated.

Irrespective of the final shape of the new European legislative framework for chemicals policy, the further development of the new chemicals policy at national level is still meaningful and necessary. The emphasis is on practical implementation of the new policy, as a complement to measures being developed in Europe. The Netherlands will, of course, implement the results of the future decisions taken in the European Union in their entirety in the coming years.

The elements which the Netherlands, supported on certain elements by other EU member states and by the industry, considers necessary to make the new European chemicals policy effective, efficient, practical and affordable were described in the previous chapter.

This chapter first examines the desire for an integrated chemicals policy and then a range of initiatives as elements of this policy. This chapter also reports on the implementation and/or execution of a number of activities and commitments announced by the Minister for Housing, Spatial Planning and the Environment. These include the establishment of the promised Chemicals Expertise Centre, the preliminary draft of Chapter 9, Environmental Management Act, the draft Chemical Substances (Classification and Registration) Decree, and the promised review of actions to reduce animal testing.

3.2 Integrated chemicals policy

Sustainability and integrated policy are two inextricably entwined developments. The operationalisation of sustainability in business processes is often referred to as corporate social responsibility these days. Sustainable development at industry level can be seen as the application of a strategy which systematically integrates economic, environmental and social impacts in business processes.

Different parties impose different requirements on organisations. Consumer choices are no longer primarily governed by “a good product at a low

price". Other facets also play a part, such as production methods and ethical aspects. Employees are also focusing more emphatically on working conditions and health and safety in and around the workplace.

The new chemicals policy fits into corporate social responsibility in view of its integrated vision on elements such as the environment, health and safety at work and consumer protection. The aim of the new chemicals policy is to achieve synergy between policies covering the environment, health and safety work and consumers.

The fragmentation of policy which companies are faced with in practice is detrimental to the efficiency and effectiveness of their internal and external business processes. Coordination of the diverse policy frameworks would also benefit the competent authorities. The policy memorandum on the Strategy On Management of Substances drawn up in 2001 therefore represented the first step by the government towards integrating the basic principles of these policy frameworks.

Since this policy memorandum was published, a range of initiatives has been taken, for instance to ensure that the substance regulations imposed on the offshore industry are brought into line with those imposed on the onshore industry. Measures have been taken to coordinate substance and water policy. Where relevant, the SOMS criteria, as described in the 1st progress report on SOMS implementation, have been brought into line with the criteria in the General Assessment Methodology (ABM) for substances and preparations (in the framework of the Pollution of Surface Waters Act). The Cabinet intends to continue such coordination and integration activities.

3.3 Setting up the Chemicals Expertise Centre (SEC): first step towards developing a substances knowledge infrastructure for substances

During the debate in the Dutch parliament on the strategy memorandum and the 1st progress report¹⁵⁾ the Minister for Housing, Spatial Planning and the Environment remarked that, with regard to the random testing of the allocation of substances into categories of concern, he preferred to leave this to a chemical bureau which was still to be set up. This chemical bureau was to act as an independent and expert institute that would be capable on the one hand of checking the categorisation and acceptability of a substance and, on the other, would also have the opportunity to conduct independent research on behalf of the government. The minister agreed to provide parliament with further information in the 2nd progress report.

The establishment of the Chemicals Expertise Centre (SEC) at the National Institute of Public Health and Environmental Protection (RIVM) is a further

15) On 13 June 2001 and 7 March 2002 respectively

step towards the chemical bureau mentioned above. Before the end of 2002, after interdepartmental consultations have taken place, the contract will be signed between the director-general for the environment and the director-general of the RIVM. This will stipulate the organisational arrangements and the tasks of the SEC in so far as these relate to executing the current statutory tasks and implementing the new chemicals policy.

In due course the SEC will become the expertise centre of the Dutch government for scientific and social issues connected with the hazards and risks of substances and their management. The mission of the SEC is to advise and support the authorities in the exercise of their public task related to substances, their properties and risk management. Its tasks will include assessing the hazardous properties and risks of substances, critically evaluating assessments conducted by third parties, and preparing and developing risk management strategies and measures. In addition the SEC will coordinate the execution of a number of statutory and other tasks to be conducted by the authorities under existing and future European and national chemicals policy. Until such time that new EU legislation enters into force, the RIVM, via SEC, will in any case continue to conduct the statutory and other tasks arising from current European legislation on substances.

The SEC also has a role to play in the Dutch contribution to the preparation and development of the new EU frameworks, in particular the REACH system. It will be able to make a major substantive contribution, based on its expertise. As soon as the new EU chemicals policy is drawn up and new legislation has come into force (expected in 2005), the SEC will be responsible for those elements of implementation with which the Netherlands is charged. For instance, conducting assessment in the evaluation phase of the REACH system and drawing up possible authorisation conditions. The White Paper on chemicals mentions a European Central Unit which will maintain intensive contacts with designated agencies in the Member States. This can be incorporated in the European Chemicals Bureau (ECB). The SEC will take part in this ECB network on behalf of the Netherlands.

3.4 Development of judicial instruments: draft Chemical Substances (Classification and Registration) Decree and the preliminary draft of Chapter 9, Environmental Management Act

The government has started developing two instruments with which the Netherlands is preparing for the coming European legislation. The government emphasises that the instruments must be developed in such a way that they guarantee that the policy can be implemented in practice and, where applicable, that it is an integrated policy.

Short term: Draft Chemical Substances (Classification and Registration) Decree

The Chemical Substances Act is the national legislation for substances currently in force, on the basis of which the applicable EU legislation is also being implemented. The Chemical Substances Act aims to provide the industry with sufficient insight into the hazards of substances for humans and the environment, and to translate that insight into responsible management of substances. The duty of care pursuant to section 2 of the Act expresses the responsibility which companies have to achieve this objective. The draft Chemical Substances (Classification and Registration) Decree has been created in order to strengthen this corporate responsibility. This draft Decree constitutes an amendment to the Chemical Substances (Classification and Registration) Decree currently in preparation, which further develops and operationalises this duty of care on the basis of the new policy strategy for the management of substances.

On 4 July 2002 the draft Decree was sent to the chairs of the Upper and Lower Houses. On 23 July 2002 the draft Decree was published in the *Staatscourant* (Stcrt. 2002 138). On the same day the draft Decree was notified to the Commission of the European Communities [notification number 2002/292/NL] in fulfilment of article 8(1) of Directive no. 98/34/EG.

The principle points of the draft Decree are that the party which manufactures or imports a substance into the Netherlands determines the category of concern to which the substance must be assigned based on the information on hazardous properties available. The manufacturers or importers do so by using the data which they have at their disposal or which they can be reasonably expected to have at their disposal. The manufacturers or importers also inform their customers of the category of concern to which their substance has been allocated (irrespective of whether it is present in a product). In order to make it possible to monitor compliance with the categorisation requirement, manufacturers and importers are also obliged to include all data in their administrative systems. The manufacturers and importers of substances are already obliged under the Chemical Substances (Classification and Registration) Decree to register these data on substances.

The aim of this draft Decree is to provide manufacturers and importers of substances with a systematic understanding of the hazards for the safety and health of humans or the environment which may be generated by the substances which they produce or import into the Netherlands. This will encourage them to handle these substances as carefully as possible. This is a first step in the direction of extending corporate responsibility for the management of substances. The next step is to take adequate measures to protect humans and the environment based on the information known about the substance. In this sense, the draft Decree contributes to effective implementation of the provisions already laid down in European legislation relating to substances. On the basis of Article 6 of directive no. 67/548/EEC¹⁶⁾ the manufacturers and importers are already obliged to find out the existing

16) As last amended by directive 92/32/EEC

relevant and accessible data relating to the properties of their substances. The decree also links up to the directive concerning the safety data sheet (implemented in the Netherlands through the Chemical Substances (Safety Data Sheets) Decree) which is based on the designation of hazardous properties to be provided to professional users.

The draft Decree does not specify requirements for the nature and content of the data on which the allocation of the substances into categories of concern is based. Neither does it oblige manufacturers and importers to conduct research for this purpose. Finally, no immediate measures are linked to the categorisation.

Long term: preliminary draft of Chapter 9, Environmental Management Act

In the years to come the full arsenal of legal provisions that is required to anchor the new chemicals policy will be regulated by law in the context of the new Chapter 9, Environmental Management Act. It will include the implementation of future EU legislation which is currently in the preparatory stage. A draft version of this chapter was submitted to the Lower House on 23 May 2002 (VROM 020585) by the Minister for Housing, Spatial Planning and the Environment. This preliminary draft of the legislation, which is an exploration of the potential instruments available, was then sent for consultation to other departments, the industry and non-governmental organisations. This round of consultations on the preliminary draft of Chapter 9, Environmental Management Act has now been completed.

The European Commission is working on proposals for legislation based on the White Paper on chemicals. The White Paper and the information disseminated by the Commission on the legislation now being prepared indicate that the draft legislation will concentrate on a registration system, which will include a complete risk assessment. To date there is no evidence that steps will be taken to further develop the elements described in Chapter 2 of this progress report, which are deemed necessary as supplementary measures to guarantee that the policy objectives are achieved. For this reason, the preliminary draft of Chapter 9, Environmental Management Act seeks to incorporate these elements into a legislative framework. In this sense the preliminary draft complements the expected proposals for European legislation. The main issues are rapid screening of all substances based on their hazardous properties for the purposes of setting priorities for the extensive European registration system, laying down responsibility in the chain, and public accountability. (The process of drawing up the preliminary draft clarifies and specifies which elements in the statutory anchoring are essential to achieve the final objectives of the new chemicals policy and, as an extension of this, to ensure the most effective possible implementation of the proposed European REACH system).

The primary aim of the preliminary draft is to shape the required cohesion and integration of the different policy frameworks relating to the manage-

ment of substances (protecting the environment, ensuring proper working conditions and protecting consumer safety). After all, the new European legislation will not be the only legislation applicable. In order to ensure that policy can be implemented practically at national and individual business levels, the policy must be effectively connected to and demarcated from other legislation. One goal of the round of consultations mentioned above was to ensure the best possible result in legal terms.

The preliminary draft serves as the basis for the Dutch contribution to the debate on EU legislation. Central government departments will use the results of the consultations to conduct further internal work on perfecting the text of the preliminary draft in preparation for the legislative proposal for Chapter 9, Environmental Management Act. Once the proposals for European legislation are announced, the text will be modified -where necessary- and will then be proposed as a bill.

3.5 Progress in implementing the ban on 22 VPVB substances

At the request of the Lower House, the 1st progress report on SOMS implementation includes a preliminary draft for a list of substances drawn up by the RIVM which give cause for very high concern, based on the list of substances drawn up by OSPAR. The preliminary draft is based on the *quick scan* criteria and on the information known and available about those substances at that point in time. Twenty-two substances could be classified as VPVB substances and therefore as giving rise to very high concern. Given the hazardous properties of these 22 substances, it stands to reason that, in principle, the industrial community should no longer produce and use these substances. The RIVM was requested to investigate whether these substances are produced and/or used in the Netherlands or in the EU. It was also requested to investigate whether any national or international policy measures have been taken or are in preparation, and whether any other information about the industrial nature of production is available.

In response to this request the RIVM states that¹⁷⁾ there is no central point of access at either national or European level where information can be obtained on provisions regarding substances. The RIVM states that further policy consideration should be given to the significance of substances appearing on certain lists, such as the OSPAR list. It also notes that information on current production volumes is not immediately available.

The limited data available indicate that the substances concerned are seven pesticides which, as yet, are not covered by the new chemicals policy. Four substances are subject to legal restrictions, and three are not produced in the EU, as far as is known.

A ban on the remaining eight substances would be appropriate, unless the industrial community provides relevant information which would eliminate

17) RIVM report 'Information on selected substances in the highest category of concern', 1 March 2002

the need for a ban. The manufacturer of one of these substances has now promised to map out more precisely further data on the hazards of the substance and exposure of humans and the environment. Any ban should preferably be laid down at European level. In this context the Netherlands will take initiatives to prioritise action on these substances and, if necessary, prepare recommendations for measures.

3.6 Implementation of the new chemicals policy in some existing policy frameworks

The authorities are responsible for conducting consistent and uniform policy. Target groups may assume that the authorities are not approaching them from different perspectives in different and possibly conflicting (or at least not uniform) ways on the same subject. When the industry has to deal with authorities in the context of producing or managing substances, it will continue to be approached from the same basic principles.

In view of the above, the authorities are working to ensure that the new chemicals policy connects to the different policy instruments relating to substances. When the authorities are clear, this means less work for the industry which, in the long term, is expected to reduce its administrative expenses.

Netherlands Emission Guideline for Air

In the context of granting permits pursuant to the Environmental Management Act the competent authorities make agreements with industry on emissions to the air, guided by the basic principles in Netherlands Emission Guideline for Air [Nederlandse Emissie Richtlijn Lucht (NeR)]. In the last year the NeR has been under review, with a view to linking it to the basic principles of the new chemicals policy. Similar reviews to connect water policy and chemicals policy have already been completed, as indicated in 3.2 (bringing GAM (General Assessment Methodology) and SOMS criteria into line).

Under the present NeR, substances are classified in different categories based on the technical possibilities for emission reduction, to which certain limit values and requirements are linked. The most harmful substances constitute a separate category which is subject to a so-called duty to minimise (minimalisatieverplichting (MVP)).¹⁸⁾ In the revised Netherlands Emission Guideline for Air, which will enter into force shortly, the system for assessing whether a substance is subject to the MVP connects to the new chemicals policy: under the new Guideline, the most harmful substances (based on their properties) will now be subject to the MVP. In practice this means that substances which are already subject to the MVP will continue to be so in future, but also that substances meeting the criteria for very high concern will also fall under MVP. To facilitate the work of the authority granting per-

¹⁸⁾ The duty to minimise (MVP) means that continuous efforts must be made to reduce the emission; and preventing the emission completely must be explicitly considered as an option.

mits, the Guideline will include a list of substances for illustration purposes. It is up to the party applying for the permit to indicate to the competent authority whether the application might relate to emissions of substances which give rise to very high concern and which are therefore also subject to MVP.

Company Environmental Plans

In a range of Company Environmental Plan [BedrijfsMilieuPlan (BMP)] processes, the sectors concerned are consulted about the opportunities for anchoring usable elements of the new policy on substances. For instance, an addendum to the 'guide to BMP₃ of the oil and gas industry' includes a proposal indicating how the first phase of the three-tier approach (implementation, *quick scan* and validation) can be implemented. This addendum was drawn up in consultation with the government. A recommendation was also made on the opportunities for further optimising other SOMS elements which could be implemented in the context of this BMP₃ programme. The elements of the new chemicals policy which are applicable will also be anchored in the BMPs which are due for review in the coming period.

Annual environmental reporting

Pursuant to Section 12.4 of the revised Environmental Management Act (and further fleshed out in the Environmental Reporting Decree) industries report to the competent authority on the environmental consequences of their activities. The annual environmental report [Milieujaarverslag (MJV)] serves to bring together and streamline the separate reports required by law, so that the industry does not have to prepare separate reports for different government agencies. A basic principle is that all relevant environmental aspects must be included in the Annual Environmental Report.

Under the new chemicals policy, companies which are obliged by law to submit annual environmental reports will in future be obliged to include reports on the emissions of the most harmful substances, based on their properties. This new reporting obligation will come into effect in 2004, when the industry will have to report on emissions caused in 2003. Some of the obligations were already set out in Section 32 of the Chemical Substances Act, in the Chemical Substances (Safety Data Sheets) Decree and the Chemical Weapons Convention (Implementation) Decree.

Product-focused environmental care

Product-focused environmental care [Productgerichte Milieuzorg (PMZ)] is a management system which focuses on the continuous management, restriction and, where possible, prevention of environmental impacts in the product chain. The PMZ funding scheme is intended to support the development and introduction of product-focused environmental care. Projects which contribute to PMZ objectives are eligible for funding. The PMZ funding scheme for 2002 states that companies which produce or buy substances or use substances in a product must respect the basic principles of the innovations in the substance policy when implementing their project. Naturally this basic principle will be continued for 2003.

Taken from the project proposal made by FME-CWM (The association representing the metal, plastics, electronics and electro-technical industry and related sectors) in cooperation with the VVVF (Association of Paint and Printing Manufacturers):

“The aim is to develop new PMZ instruments (downstream and upstream) for the paint product chain which allow the FME-CWM and VVVF to provide a major stimulus to PMZ within the sectors. This will lead to a more focused and open knowledge exchange between parties in the paint product chain about the hazards and risks of substances (in the context of SOMS) and contribute to improving the environmental performance of products (in the context of PMZ). Although the project is focused on the paint product chain, just one of the important chains in respect of the environment, FME-CWM and VVVF will also use the results for other product chains within the sectors and stimulate their application elsewhere.”

► Source: PMZ 2002 funding application from FME-CWM and VVVF, 30 July 2002

Eco-label Foundation

The Eco-label Foundation is funded by the Ministry of Housing, Spatial Planning and the Environment (and by the Ministry of Agriculture, Nature Management and Fisheries for agro-eco-labelling). It is responsible for managing and implementing the eco-labelling system in the Netherlands. The Foundation’s work expressly takes account of government environmental policy.

It goes without saying that when the foundation draws up Eco-label award schemes for non-food products, it tries to formulate the criteria in such a way that, in principle, products which contain substances in the ‘very high concern’ or ‘high concern’ category are no longer eligible for eco-labelling.

Because all the environmental aspects of a product are taken into account when assessing the environmental burden they cause, it may still be possible that, in exceptional cases, a product which is intended for use by consumers nonetheless contains a substance which is categorised as being of ‘very high concern’ or ‘high concern’.

That is therefore the result of careful consideration of the costs and benefits to society set against the most environmentally friendly alternative for obtaining a specific necessary function or effect of a product. If the risk is minimised (for example by preventing exposure) such a product may still be eligible for an eco-label.

3.7 Incorporate new policy into parts of government: purchasing policy and army

Central government purchasing policy

Central government is a major customer for a broad range of substances and products containing chemicals (for instance, office supplies and cleaning agents). In a way, central government itself is a chain partner, in the sense of chain responsibility as referred to in the strategy memorandum. The government aim is that it should not purchase products containing substances about which little or no information is available, or which are known to fall in the 'very high concern' category. If products contain substances in the lower categories of concern, the supplier is expected to indicate which measures it has already taken to reduce risks and which precautionary measures need to be observed when using the products. The efforts are focused on allowing the government to be able to phase in the application of SOMS criteria in selecting government suppliers with effect from late 2002, in the context of the implementation programme Met preventie naar Duurzaam Ondernemen [Prevention leads to Sustainable Enterprise]. It is expected that if a key market player such as the central government purchasing agency takes this approach, it will have a major knock-on demonstration effect.

Royal Netherlands Army Substances Project

One section of the public sector which often uses substances is the Royal Netherlands Army (RNLA). The many types of fuel, oil, lubricants, chemicals and maintenance materials needed by this branch of the armed forces are sourced centrally by BOSCO, which is incorporated in the National Supply Agency. BOSCO also operates as the knowledge centre for both management and users within the RNLA on matters concerning management of hazardous substances in the working situation and from the environmental perspective. In view of this function, it is self-evident that BOSCO wishes to stay up to date with all the hazards and risks of chemicals and to take these into consideration in procurement decisions.

In autumn 2002 BOSCO started to incorporate the SOMS criteria in its own internal database, in close consultation with the working conditions service of the RNLA and with TNO (Netherlands Organisation for Applied Scientific Research). This is intended to improve insight into the substances profiles in respect of working conditions and the environment, and to ensure that these are taken into account when procuring chemicals. The aim is to phase out and replace all substances in the 'very high concern' category and those substances for which little or no information is available. The project also ensures that the hazards and risks and associated precautionary measures relating to substances which are procured are communicated effectively to all relevant employees. The project is shaped in such a way that the results can be used for other purposes, for instance by other branches of the Armed Forces. The Ministry of Defence has stated its intention of implementing the results on a wide scale.

3.8 Status and outlook for reducing animal testing

During the debate on the strategy memorandum and the 1st progress report the Lower House expressed its concern about the use of animal testing to determine the hazards and risks of substances for humans and the environment. In the debate on the 1st progress report the Minister of Housing, Spatial Planning and the Environment agreed that the 2nd progress report would outline the progress achieved in reducing animal testing. The fact that the Cabinet shares the concern of the Lower House is demonstrated by the emphasis given to reducing and avoiding animal testing in the new chemicals policy.

Status

There are two European legislative measures which aim to protect animals used in testing: ETS Convention No. 123 and Directive 86/609/EEC. These regulations stipulate, amongst other things, that if an alternative for an animal test exists, the animal test may not be conducted. The member states are also obliged to stimulate research into alternatives. In response to the White Paper on chemicals, in June 2002 the European Centre for the Validation of Alternative Methods (ECVAM) drew up an evaluation report on the current status of test methods which do not use animals, and the opportunities for the future. ECVAM concludes that in the short term no alternatives are available for end points of the REACH system. The development and validation of (Q)SAR models could make a significant contribution for all the end points described. The evaluation report makes a number of recommendations for alternative use in the REACH system, with the emphasis on developing and validating alternative tests which seem very promising. ECVAM takes the 'three Rs' as its starting point: replacement, reduction, refinement of the use of animal testing.

Outlook for the use of animal testing

The new European chemicals policy will increase the number of animal tests conducted because of the risk assessment which it requires for all substances. However, in the first instance, no animal testing is needed to conduct a *quick scan* based on the data available, whether or not these are supplemented by model calculation or expert judgement.

It may already be possible to use many of the available (non-validated) models to allocate substances to categories of concern. The industrial community also anticipates a rise in the number of animal tests conducted under the proposed European system, and with it a rise in the total cost of the new European chemicals policy. It therefore supports government efforts to integrate the *quick scan* in the REACH system. In the context of any implementation agreement between the government and the industry (see 4.3) it will be investigated whether both parties intend to develop and launch one or more joint projects geared to reducing the use of animal testing and the development of alternative test and other methods.

3.9 Status of scientific developments relating to the hazard aspect endocrine disruption

One of the hazardous properties of substances which determines the level of concern is endocrine disruption (see 1st progress report on SOMS implementation). The attention to this issue in society as a whole is relatively new and little is known about it. A research project into the incidence of hormone disruptive substances in the environment which was completed recently by a range of Dutch research institutes clearly showed that observable environmental impacts are present at locations in the Netherlands.¹⁹⁾ Because of the lack of validated test methods to investigate substances for this property, virtually nothing is known as yet about which substances are involved and the risk they represent.

The 1st progress report on SOMS implementation states that as soon as criteria and guidelines for endocrine disruption have been established, they can be included in the set of criteria and decision-making rules for the *quick scan*. At the national level, on behalf of the Ministry of Housing, Spatial Planning and the Environment, the RIVM has been working in the last four years to develop a test method for endocrine disruption. The test has now been standardised and is commercially available at low cost.

Again on instructions from the Ministry of Housing, Spatial Planning and the Environment, the RIVM has been working during the last four years to map the exposure of humans and the environment to endocrine disruptive substances in the environment.²⁰⁾ The report takes as the point of departure the priority substances as designated by the Health Council. Estimates of exposure indicate that the substances investigated probably do not give rise to specific risks.

In late 2002 the RIVM will publish an overview report on both research projects which will map the current knowledge on endocrine disruption and discuss the impacts on both the environment and public health.

19) 'Rapport Landelijk Onderzoek Oestrogene Substances [National Survey Oestrogen Substances]' (LOES), RIZA/RIKZ report 2002.001, February 2002

20) RIVM report, 'Hormoon verstorende stoffen [Endocrine disrupters]', 27 August 2002

4 Implementation of elements of the new chemicals policy by the industry

4.1 Introduction

4.2 Intentions and activities of industry relating to new chemicals policy

4.3 Implementation agreement with the Association for the Dutch Chemical Industry (VNCI) and the Union of Traders in Chemical Products (VHCP)

4.4 VNO-NCW agreements on the knowledge infrastructure

4.5 Pilot projects: companies putting SOMS into practice

4.6 Activities of various sectors

4.1 Introduction

In the first instance it is the industry which is responsible for managing substances safely and responsibly. The Lower House endorsed this basic principle in the debate on the new chemicals policy on 13 June 2001.

Since the publication of the strategy memorandum mentioned earlier, the industry in the Netherlands has embarked on a great many activities for the purpose of implementing the new chemicals policy.

In April 2001 the confederation of Netherlands industry, VNO-NCW, representing the industry, drew up a declaration of intent on the implementation of the innovations in the new chemicals policy. The intentions expressed in the declaration of intent have now been worked out in more detail in an implementation work plan (February 2002).

The chemical industry, represented by the Association for the Dutch Chemical Industry [Vereniging van de Nederlandse Chemische Industrie (VNCI)] and the Union of Traders in Chemical Products [Verbond van Handelaren in Chemische Producten (VHCP)], and the government are at present working on a short-term agreement to implement the main elements of the new chemicals policy.

The industry has launched seven pilot projects for the new policy based on the Funding Scheme for SOMS pilots. (In the 1st progress report these pilots were referred to as 'experimental plots'). In the pilot projects companies (or combinations of companies and institutions) gain practical experience in implementing the new chemicals policy in such a way that they can serve as an example for other companies (sectors). A number of sectors have started work on activities which link in closely to the innovations in chemicals policy.

With the new chemicals policy in mind and in the framework of the 'plasticisers policy statement', activities have been devised for one thing by the VNO-NCW, the manufacturers of plasticisers and the Cycle and Automobile industry [Rijwiel en Automobiel Industrie (RAI)].

The following sections examine these activities and agreements in detail.

The policy memorandum on the implementation of the Strategy On Management of Substances promised by mid 2003 will deal, among other things, with the implementation of the chemicals policy in which the existing and new agreements with the industry play an important role.

4.2 Intentions and activities of industry relating to new chemicals policy

In April 2001 VNO-NCW drew up a declaration of intent on its contribution to the implementation of the new chemicals policy. In the declaration of intent the industry announces a number of activities geared to an effective and efficient approach to implementing elements of the new chemicals policy. These include the development of an infrastructure for adequate exchange of information on the properties and uses of substances and pre-

parations in different links in the product chain. An infrastructure will be created to implement these activities. Effective communication is necessary since all links in the product chain are expected to take responsibility. In addition the industry wishes to be accountable to society, for instance by generating information and making this publicly available.

“Effective information to the public is necessary in order to restore society’s confidence in the activities of the industry. An infrastructure must be set up to facilitate this communication.”

► Source: Letter VNO-NCW Declaration of intent industry - government in respect of the implementation of a new chemicals policy, 2 April 2001

VNO-NCW has created a work plan for the actual implementation of the stated intentions (February 2002).

All documents and correspondence show that the industry shares the analysis of the present problems and the objectives of a new chemicals policy. The industry has set itself the goal of ensuring that substances can be used safely within a single generation, and that the health of humans and the environment is safeguarded at a high level, for which the industry has primary responsibility.

In respect of the choice of instruments for achieving the objectives (see Chapter 2), the Dutch industrial community agrees that additions are necessary to the set of instruments proposed in the White Paper on chemicals before this European policy can be implemented in practice. In its letter accompanying the declaration of intent, VNO-NCW indicates that it has little confidence in the solutions put forward by the European Commission. It also concludes in this letter that although the present set of instruments does not operate effectively, the same instruments nonetheless are being put forward as the main solution for the problems highlighted.

“In contrast, the Commission proposal will lead to a good deal of needless research (including animal testing!) and generate enormous amounts of paper work without achieving results in the short term.”

► Source: Letter VNO-NCW Declaration of intent industry - government in respect of the implementation of a new chemicals policy, 2 April 2001

In the declaration of intent the industry proposes a much “smarter approach”, i.e. an approach which leads to effective prioritisation within a short space of time using rapid screening of the substances.

VNCI (...) stressed that the Dutch chemical industry supports the government in its efforts to transfer the *quick scan* to Brussels.

► Source: NCI, number 10, 29 May 2002

In its response to the 1st progress report the industry states that it considers the deadlines set to be extremely ambitious, but that it will do all it can to work with the government to achieve them.²¹⁾

One condition which the industry sets for the implementation of innovations in the chemicals policy in the Netherlands is that it should constitute an element of an integrated environmental policy and that there should be a harmonised EU chemicals policy. This will therefore be the focus of the joint activities of government and the industry in the coming period. The development and implementation of the new chemicals policy at national level focus mainly on the elements which all parties deem necessary to make the coming European legislation more efficient, less expensive and capable of practical implementation. All the experience which the Netherlands gains in these aspects in the coming period can be useful. The agreements which are described in the following sections contribute to this: for instance, the pilot projects which are already underway in which a number of companies have made an energetic start in working with elements of the new chemicals policy.

4.3 Implementation agreement with the Association of the Dutch Chemical Industry (VNCI) and the Union of Traders in Chemical Products (VHCP)

The chemical industry, represented by the umbrella organisations VNCI and VHCP, and the government are currently exploring the possibilities of an implementation agreement in respect of the innovations in chemicals policy. Both parties would prefer such an agreement to legislation if an agreement can be drawn up whose results can be measured and which will be effective in practice.

The chemical industry believes that it has a responsibility to society to ensure that the substances which it produces or imports can be managed responsibly in all the links of the product chain. At the same time, the chemical industry emphasises its duty of care under Section 2 of the Chemical Substances Act, and believes that the *quick scan* method can fulfil a useful role as a prioritisation instrument in the context of the EU assessment system. The *quick scan* assumes that if no standardised information on risks is easily available for a particular substance, it is nonetheless possible to prioritise the substance, using limited data on its hazardous properties and an estimate of the use (as an indication for the potential exposure of humans and the environment to the hazards associated with the substance).

Amongst other things, the government and industry are talking about joint promotion of the Dutch vision on chemicals policy in Europe with the aim of creating a place for the *quick scan* method in the future EU system for managing the hazards and risks of substances. If the agreement proves to be

21) VNO-NCW: VNO-NCW work plan on implementing the Declaration of Intent on Substances, 20 February 2002

a sound way for the chemical industry to contribute to implementing the new chemicals policy, this will obviate the need for the draft Chemical Substances (Classification and Registration) Decree to come into force (see 3.4).

4.4 VNO-NCW agreements on the knowledge infrastructure

VNO-NCW has set up a high-level steering group which is responsible for coordination between the industry sectors and the implementation of the declaration of intent. This steering group has also been charged with maintaining contacts with central government on the implementation of the declaration of intent (letter from VNO-NCW, 20 February 2002). The implementation work plan accompanying the declaration of intent on substances places the responsibility for implementing the screening phase with the various sectors. Each sector organisation may choose to implement this process itself or call on third parties to assist. The basic principle is that the result of the first inventory must be available by the end of 2002 at the latest.

At this time the government is consulting with VNO-NCW to come to agreements on the design and structure of a knowledge infrastructure for substances. In respect of the inventory and/or *quick scan*, VNO-NCW has designated the VNCI and VHCP to take the lead in reaching agreements with the government (see 4.3).

4.5 Pilot projects: companies putting SOMS into practice

Funding Scheme SOMS pilots

In spring 2002 applications were invited for a temporary funding scheme known as the Funding Scheme SOMS pilots. The aim of the scheme is to support companies looking to gain practical experience in implementing the new chemicals policy in such a way that they serve as an example to other companies. Of the nine applications received, seven were considered to adequately meet the objective of the pilot programme. A total of some 500,000 euro has been granted to the designated pilots. This funding is provided jointly by the Ministry of Social Affairs and Employment and the Ministry of Housing, Spatial Planning and the Environment.

The seven pilots projects allow practical experience to be gained with the new chemicals policy in a wide range of sectors:

- paper (applicant: Netherlands Paper and Board Association: [Vereniging van Nederlandse Papier- en Kartonfabrieken (VNP)])
- lubricants (applicant: Shell)
- industrial clothing (applicant: Association of the Netherlands Textile Industry: [Vereniging Textielabrikanten Nederland (VTN)])
- building materials (applicant: Stichting Arbouw)

- soap and cleaning preparations (applicant: Dutch Soap and Detergent Association [Nederlandse Vereniging van Zeepfabrikanten (NVZ)])
- Chemicals information management (applicant: Philips)
- Substances management system (applicant: NAM [Nederlandse Aardolie Maatschappij])

A number of large concerns are represented in the project, some of them with international connections and knock-on effects. Small companies are also involved, in particular in the lubricants pilot. Each pilot involves one or more of the three key elements (*quick scan*, chain responsibility and public accountability). In addition each project takes an integrated approach to the issue of substances. All pilots focus on the information structure relating to substances. In the majority of projects some or all of the substances used are inventoried and attempts are made to obtain information from a range of sources on the existing or additional hazardous properties of these substances and to allocate them accordingly to categories of concern.

The pilots are shaped in such a way that the results (a system, method or set of lessons learned) can be applied more widely than solely to the companies involved in the projects. The project partners themselves are charged with disseminating the results of their project to a wide audience. The results of the pilots will be reported in mid-2003 in the SOMS Implementation policy memorandum.

Paper pilot

Within its pilot programme the VNP wishes to allocate all chemicals used in the Dutch paper industry into categories of concern. The aim is to make the relevant information available from a central point and accessible to the entire sector, so that companies can make the best possible choice from the substances available to them, from the perspective of health and safety at work and the environment. This is an example of down stream users of substances who need the results of a *quick scan* and who are starting to put specific and relevant questions to their suppliers. Amongst other things, the project provides insight into possible bottlenecks in obtaining data on substances.

This project is not only governed by the need to safeguard working conditions and the environment, it also serves a strategic company interest. The pilot gives these down stream users the opportunity to assess in good time where they must look for alternatives to substances currently being applied, in the light of the new European and Dutch chemicals policy. In this way they are making the best possible preparations for the future.

Lubricants pilot

The main theme of the lubricants pilot is the availability of information for and throughout the entire chain. All the links in the chain, from manufacturer to user, are involved in the project. The project examines what infor-

mation is available/desirable for each link. The information structure is then optimised as far as possible. The project investigates solutions for various bottlenecks which may arise, for instance, gaps in knowledge and the confidentiality aspect. A special feature of this project is that environmental groups and trade unions are closely involved.

Industrial clothing pilot

The information structure and communication within the chain are also key issues in the pilot being conducted within the industrial clothing sector. Each chain partner must be able to take its responsibility. This chain responsibility is shaped, among other things, by translating data on the chemicals used into useful information at the desired level of detail for the next links in the chain. The project also acts responsibly by looking for alternatives on the basis of the information that is available and has been gathered.

Building materials pilot

This pilot also draws concrete conclusions from the allocation of substances into categories of concern. The Stichting Arbouw, the knowledge centre for the improvement of working conditions in the building industry, wants to take precautionary measures to prevent the application of substances allocated to the 'very high concern' and 'high concern' categories in buildings. One aim of the project is to create support in the construction chain for agreements on this issue. In the first instance, the focus is on the residues and waste substances which are frequently used in building materials. Past controversies, such as the use of asbestos and plywood with formaldehyde emission in buildings, clearly demonstrate that the application of substances, whether consciously or unconsciously, entails major risks: risks to health, working conditions and the environment, but also economic risks.

Chemicals information management pilot

The Philips pilot focuses on extending the in-house system for the collection, registration and internal transmission of information about chemicals which the company procures and/or uses. All sorts of links in the product chain, including those of the substances manufacturer, are represented within the concern. Where possible, the information structure is geared to the needs of these different users. The project also involves incorporation of the SOMS criteria into the system and attention to the public availability of information. This project will have knock-on effects for the Philips companies around the world.

Substances management system pilot

As a major user of chemicals, the NAM (Nederlandse Aardolie Maatschappij) also wishes to take a co-ordinated approach to ensuring employee safety and environmental protection within its business processes. In the context of the pilot programme, the existing in-house substances management system is being optimised through a comparison with other companies, which also allows for wider use of the results. In this system the

usefulness and need for a substance are considered as early as the procurement process and are set against the potential risks for both employees and the environment. The system also incorporates the SOMS criteria for allocating substances to categories of concern.

Soap and cleaning preparations pilot

The soap and cleaning preparations pilot focuses on the information exchange between soap manufacturers, consumers and professional users. The emphasis is not so much on the hazardous properties of the substances, but on information about possible applications and their associated risks, expressed in terms which users can understand. The NVZ will provide targeted information to interested users on the environmental and health aspects of cleaning preparations and detergents through an information database which will be accessible on the Internet. Consultations will be held with the target group to decide what information is useful and relevant to it. The aim is to restore consumer confidence that the industry takes seriously its responsibility for health and the environment.

Support for Small and Medium-sized Enterprises (SMEs)

Small companies in particular may find it difficult to take a structured approach to precautionary management of substances within the company. In the debate on 13 June 2001 the Minister of Housing, Spatial Planning and the Environment therefore agreed that additional support would be given to SMEs.

Six small to medium-sized chemical companies were already participating in a project to develop an instrument for integrated substances management. During the last year a follow-up project has investigated whether the basic principles and criteria of the new chemicals policy can be incorporated in that system. The projects came about with funding from a range of sources including the VNCI and the Ministry of Housing, Spatial Planning and the Environment. The results of the projects demonstrate that SMEs in the chemical sector need practical and management instruments which facilitate efforts to obtain a quick and complete picture of, amongst other things, the properties and risks of substances they deal with, so that adequate measures relating to working conditions and the environment can be geared to them. In consultation with the VNCI and the chemical industry, the authorities will investigate whether such an instrument can be developed and made available in the short-term.

4.6 Activities of various sectors

Alongside the umbrella sector organisations, various sectors themselves have taken active steps in respect of the innovations in chemicals policy.

NVZ

The NVZ recently informed the State Secretary for Housing, Spatial Planning and the Environment about the NVZ safety policy on its products (September 2002). The NVZ endorses and stimulates the need for an international approach to reducing the number of substances involving risk. The NVZ advises its members not to use PBT substances. It also stimulates its members to minimise the use of substances which are not readily biodegrade. In order to optimise communication in the chain, the NVZ will stimulate intensification of the existing consultation structures with its user groups. The NVZ will also regularly update its existing substances inventory of virtually all the substances used by its members. At the international level, in the next year it also intends to extend this substances inventory with more specific data on the toxicology and ecotoxicology of substances in order to optimise the information in safety information sheets.

In the context of effective communication about the product risks, the NVZ makes a major contribution to the international HERA project (Human and Environmental Risk Assessment on ingredients of household cleaning products). The HERA project uses a standardised method to combine the hazardous properties and the exposure routes of a substance in order to achieve effective insight into the potential risk of using the substance in a detergent or cleaning agent. Individual companies can base their substances management on the results of this HERA project.

AISE (the official international body representing the soap, detergent and maintenance products industry) and CEFIC, in consultation with all the key actors, have developed a so-called targeted risk assessment methodology

NRK

In the context of the chemicals policy the Dutch Federation for Rubber and Plastic Industry [Federatie Nederlandse Rubber- en Kunststofindustrie (NRK)] has drawn up a four-point plan of approach which it has sent to the Ministry of Housing, Spatial Planning and the Environment for information (September 2002). In the first action point, for the short-term, the federation inventories all the substances used within the sector, with an indication of the function, application and a volume estimate. The second action point involves working with the suppliers of raw materials to collect existing data and generate data which are not currently available about the hazardous properties of these substances. Under the third action point, the companies processing substances determine the exposure for humans and the environment, with a particular focus on exposure resulting from the production process. The fourth action point concerns a knowledge infrastructure in order to communicate the information gathered within the chain, and to

provide the authorities and society with a limited degree of access to this information.

VVVF and FOCWA

The Association of Paint and Printing Ink Manufacturers [Vereniging van Verf- en drukinkt Fabrikanten (VVVF)] is working in close consultation with the Dutch Association for Entrepreneurs in the Car Bodywork Industry [Nederlandse vereniging van ondernemers in het carrosseriebedrijf (FOCWA)] on a plan of approach for SOMS implementation which is expected to be submitted to the State Secondary for Housing, Spatial Planning and the Environment in late 2002. This collaboration takes place partly in the framework of the Coatings Care policy of the paint industry and the health and safety and environment policies of the damage repair companies. The emphasis is on knowledge transfer in the chain.

Following the ‘plasticisers policy statement’ (TK 2001-2002, 28492, no. 1) a range of industry sectors have indicated their willingness to take steps, partly in view of the policy innovation for substances in general.

VNO-NCW

VNO-NCW agrees that:

- The industry aim is to complete the rapid screening of existing data in the context of the SOMS implementation before 2003 for those plasticisers (phthalates and alternatives) which are on the market and are traded in the Netherlands. The screening will be guided by the principle of the availability, providing that the data do not contain sensitive competitor information.
- The industry will screen the import, processing and use of plasticisers which fall in the very high or high categories of concern in the context of the SOMS implementation. In respect of these substances, the industry is committed to action to prioritise the search for alternatives for those applications for which the degree of exposure constitutes an unacceptable risk, or to take measures to reduce the exposure.
- The industry will develop a system for communication in the product chain about properties, use and exposure to plasticisers. The industry will also develop a curriculum to ensure that more knowledge is available both to operators and to management.

NVR

In addition, the plastics processing industry agrees that:

- The NVR will request the European manufacturers of plasticisers, represented by the ECPI, and the European plastics processing industry, represented in the EuPC, to give priority now and in future to gathering known and unknown data about the properties and applications of plasticisers (both phthalates and alternatives).

ECPI

In addition, the manufacturers of plasticisers agree that:

- The European plasticiser manufacturers represented in the ECPI, will ensure timely and proactive communication of the results of the individual EU risk assessments to users in the chain. ECPI will send an overview of its activities in the information campaign on the allocation and designation of BBP, DBP, DEHP in 2000 and 2001 to the Ministry of Housing, Spatial Planning and the Environment. The results of the assessment will be communicated in compliance with the proactive efforts to provide information mentioned above.
- In compliance with Responsible Care, the plasticisers industry will extend the available database of scientific knowledge about its products and, on the basis of the EU risk assessment, put forward proposals to improve that knowledge. It will also support and implement any measures required to reduce risks which arise from the EU risk assessments.

RAI

The automobile industry and the damage repair companies will demonstrate their attention to environmentally friendly products through the following steps. The RAI will try to find out from the members of its Car division to what extent manufacturers use plasticisers in car undercoatings, whether manufacturers are already looking at possible alternatives and, if so, which. The RAI has already indicated that it wishes to extend the scope of this inventory beyond plasticisers alone.

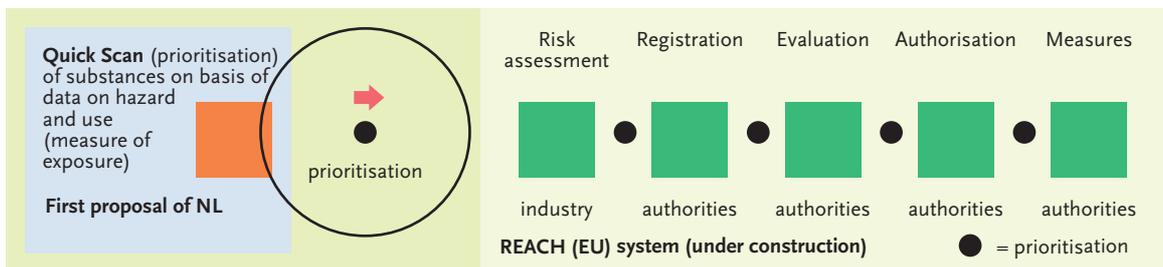
The SOMS Implementation policy memorandum which will be submitted to the Lower House in 2003 will report on the progress and results of all these actions.

Appendix 1
The *quick scan* explained

The Policy Memorandum on the Strategy On Management of Substances (SOMS) describes the position of the *quick scan* in the chemicals policy. This instrument was further developed in the 1st progress report on SOMS implementation. The body of this 2nd progress report on SOMS implementation states that this instrument would fit well in a European system of registration and authorisation.

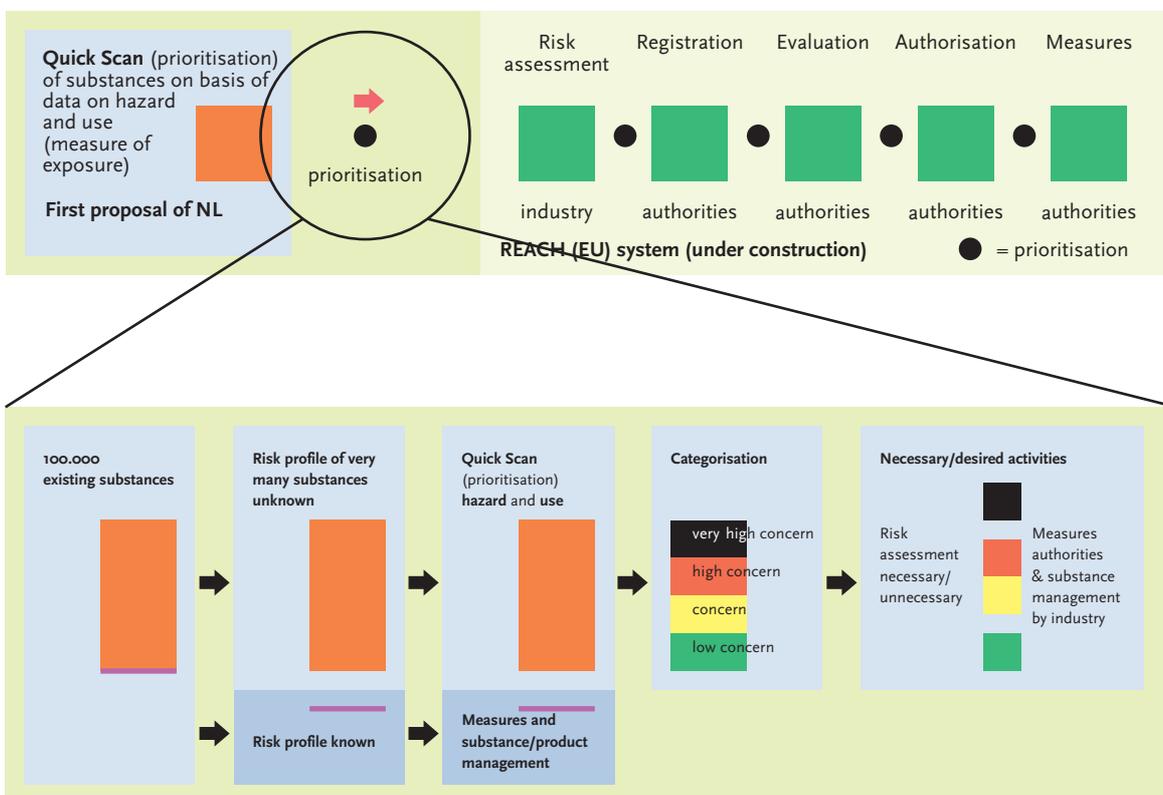
The diagram below illustrates the desired position of the *quick scan*.

Quick Scan as an instrument for prioritisation



This appendix briefly recaps on the essential elements of the *quick scan* based on the diagram below.

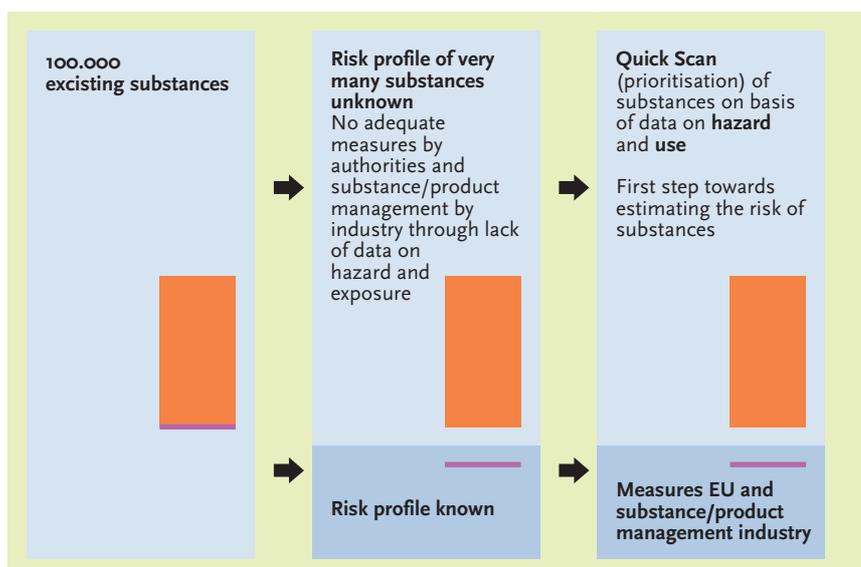
Quick Scan as an instrument for prioritisation



No known risk profile? Then use *Quick Scan*

The basic principle guiding of the government for measures to be taken by the authorities is a reliable assessment of the risks of a substance (product). This requires a reliable estimate of the hazards of a substance (or a product because of the substances processed in it) on the basis of the general properties and hazardous properties of the substance and - provided adequate data are available on this - the degree of exposure of humans and/or the environment to the substance. The government assumes that the industrial community also takes this principle as its guide in the case of companies implementing substances management.

At international level, it is noted that the number of complete and in-depth risk assessments of substances (and products) is extraordinarily low as a proportion of the total number of substances (and products). This is therefore a major reason to pursue innovation in the EU chemicals policy. It is also noted that a complete and in-depth risk assessment of all substances is not only a long-term project, but also an extremely expensive one. Furthermore, this effort to catch up would lead to an unnecessary rise in animal testing. Finally, the safety of humans and the environment would not be served by such an approach because of the long time span required for complete assessment of all substances. This final point is also related to the confidence of the citizen (consumer) in effective government policy or effective implementation of health and safety and environmental policies by companies.



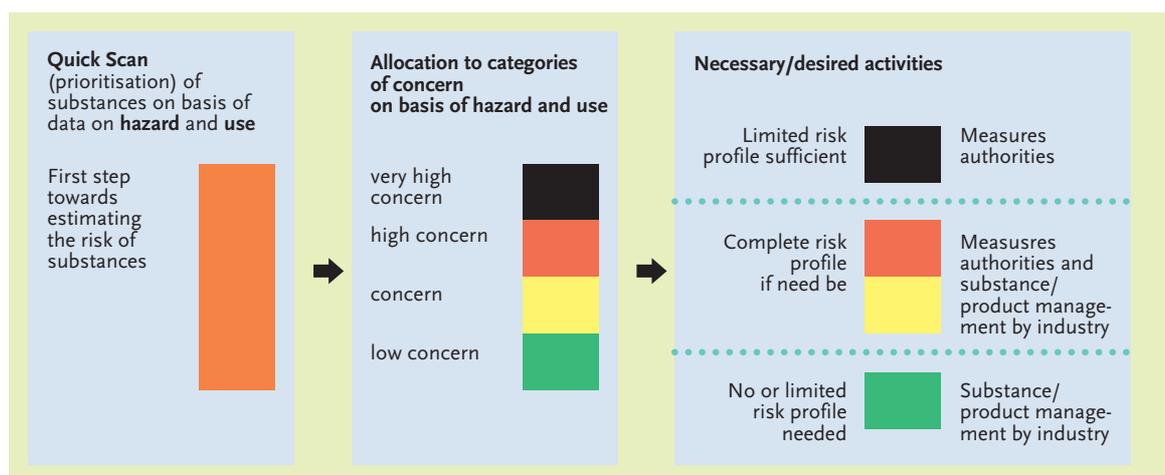
The *quick scan* is an initial general approach to both the hazard of and exposure to a substance, in particular in cases where no risk assessment is available. The policy memorandum on the Strategy On Management of Substances states that it must be possible to conduct a *quick scan* for every existing substance within a relatively short period of time (two years). In this way the *quick scan* can act as a prioritisation instrument in a new European system of registration and authorisation.

The government wishes to use the *quick scan* as the first indication of the risk associated with a substance. The *quick scan* brings into play the hazardous properties of a substance and its use (as an indication for exposure). The result of the *quick scan* determines the priority which must be given to the substance in respect of any further determination of the risk (possibly as a matter of urgency) and the measures to be taken by the authorities and/or by the industry itself.

Of course, the results of the *quick scan* can be refined (supplemented) by further data supplied by the industry in respect of hazard and/or exposure. For that matter, it should be noted that, given their properties, certain substances are so hazardous that they must not penetrate the environment, irrespective of the actual exposure. This basic principle enjoys wide international support. These substances can be compared to the POPs which are currently subject to a global ban. For such substances a limited risk profile is probably sufficient for the authorities to take measures.

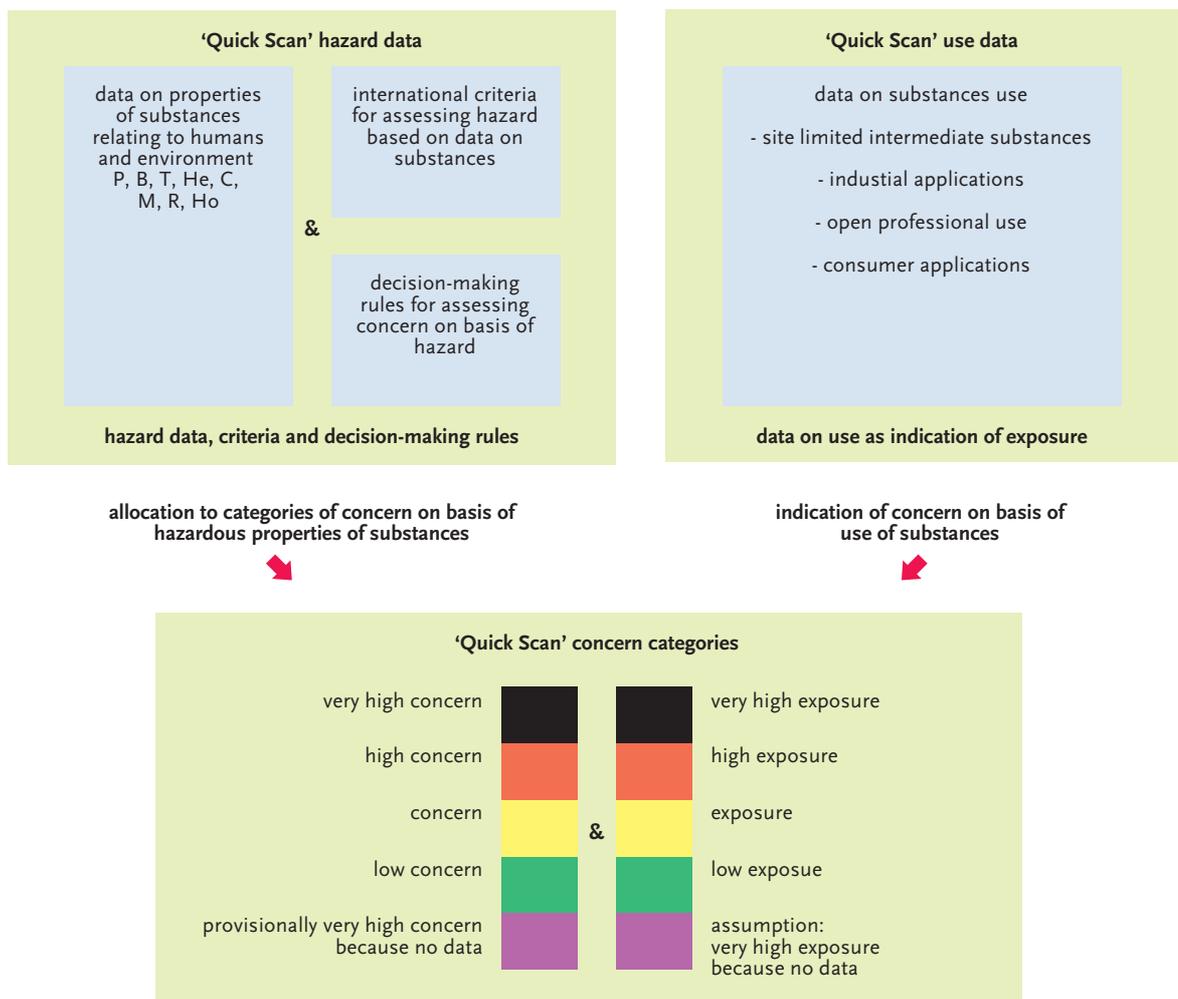
On the other hand, the results of the *quick scan* may lead to a situation in which only a limited risk profile, or no risk profile at all, is needed for the majority of the substances, because of the extremely low level of concern associated with this substance group. This group of substances would then probably not need to be included in the registration and authorisation system.

The strategy memorandum states time scales which generally correspond to those stated in the European White Paper on chemicals during which further risk data must be available to supplement or reject the *quick scan* estimate.



Basic principles of Quick Scan: use (as a measure for exposure) and hazard

Exposure data are part of the *quick scan*. In contrast to a thorough risk assessment, in which exposure must be calculated as faithfully to real life as possible, the *quick scan* estimates exposure through identifying the use of the substance. This is therefore taken into account when communicating the *quick scan* results.



In order to arrive at an official position about the concern society has in respect of substances on the basis of the *quick scan* results, the concern about the hazardous properties must be combined with the concern about the exposure to a substance. The matrix below illustrates the concerns of the Dutch government in respect of substances.

Substances in concern category on basis of hazard and use²²⁾

CONCERN ON BASIS OF HAZARD	EXPOSURE ON BASIS OF USE	Use of substances as indication of exposure			
		Site limited intermediate substances	Substances in industrial applications	Open professional use of substances	Substances in consumer applications
		Low Exposure	Exposure	High exposure	Very high exposure
Very high concern		High concern	High concern	Very high concern	Very high concern
High concern		Concern	Concern	High concern	High concern
Concern		Concern	Concern	Concern	High concern
Low concern		Low concern	Low concern	Low concern	Concern
No data, very high concern		Very high concern	Very high concern	Very high concern	Very high concern

Concern based on hazard if use is not known

Communication on substances can only take place on the basis of known data about both hazard and exposure. Where possible, the inter-relationships are presented (see the above central matrix for interrelationships). It goes without saying that it is not the government’s intention to publish data on hazard without effective communication on the context in which the data are used. For that matter, the present situation is such that, in many cases, data on the hazard are not even available to the authorities.

²²⁾This table bears some resemblance to the table on page 40 of the 1st progress report on SOMS implementation. However, by accident, in the English version of the 1st progress report, the headings, “substances in consumer applications” and “open professional use of substances”, were switched. This has been corrected in this table.

