What chemicals are present in my companies' products? Which materials are fit for recycling? To ensure compliance and exploit business opportunities, today and tomorrow, trustful reporting is paramount.

Check (in brief below or free full-text <u>here</u>) the recommendations of the Proactive Alliance on automated traceability and enhanced manageability of chemical substances, in a harmonised way at global level.

Practical solutions for material reporting are all the more important in view of regulatory and policy developments:



At European level

- Green Deal (including the Chemicals Strategy for Sustainability, the New Circular Economy Action Plan, Sustainable Products Initiative with the Digital Product Passport) emphasises the importance of transparency and traceability of substances in articles.
- EU REACH regulation setting transparency and dissemination rules
- **EU Waste Framework Directive** with obligations to report substances of concern in products to the SCIP database run by the European Chemicals Agency (ECHA)



beyond Europe, e.g. in United States (California Prop65), and in China (China REACH, China RoHS) at Global level

UNEP's <u>2nd Global Chemicals Outlook</u> states that "frontrunner companies are introducing full material disclosure and risk reduction beyond compliance"

In terms of compliance and manageability, trustworthy information flow on material content at the article level (principle: Once an article, always an article), as provided by EU REACH, is of pivotal importance. This requires efficient technical solutions and governance frameworks that assure the indispensable level of trust and data quality for all actors involved.

BENEFITS - A harmonised flow of information along the supply chain pays off

- Knowing the substances in your articles helps you meeting existing legal and contractual obligations for supply chain communication and consumer information and to prepare yourself for future more ambitious requirements (go beyond compliance).
- Harmonisation reduces burdens on all supply chain actors: data prepared for transactions with one business partner can be used for other transactions as well.
- More automated data transfer, multiple use of data sets, and reduced testing needs enabled by trusted traceability unlock cost savings

The **Proactive Alliance recommendations** can be summarized as follows:

Sectoral substance reporting list

Harmonise requirements for sectors and products into a single substance reporting list. The PA recommends a set of criteria to be considered, when developing a substance reporting list. This at the same time facilitates cross-sector interactions.

Interoperable material reporting standard

Improve interoperability between relevant existing standards and industries and ensure compatibility of any standard with Full Material Declaration (FMD)*, linked to a unique identifier (ideally CAS number).

Cooperation at global level

Join forces in implementing the recommendations with intermediate targets to achieve a united and global mission between sectors.

*Within the scope of a FMD suppliers declare all substances present in an article, while the mutually agreed governance framework could accept exemptions from this rule for certain substances not considered problematic in terms of contractual or legal obligations."



The **Proactive Alliance** is a group of companies and EU trade associations, founded in March 2018, that brings together representatives who view themselves as global players from various sectors including chemicals, electrical and electronics, furniture, home textiles, textiles and sporting goods, and medical devices and insulation. In addition, a number of representatives from sectors such as automotive, aerospace & defence, and metalworking and metal articles have contributed as observers to the efforts of the Proactive Alliance.

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