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COMMUNICATION

REACH – The European Union New Policy on Chemicals

What is REACH?

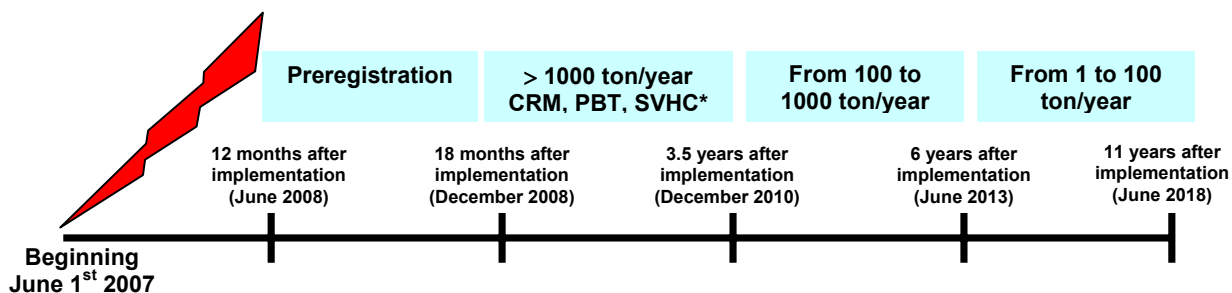
REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) is a new regulation on Chemicals, approved by the European Community in December 2006. The aim of **REACH** is to ensure the protection of human health and the environment as the free flow of chemicals in the European domestic market and, at the same enhancing competitiveness and innovation. It is based on the precautionary principle, which establishes that the production, importation and marketing of substances, under reasonably foreseeable conditions, should not adversely affect health or environment.

REACH reverts the burden of proof. Now, it is the industry, and no longer the government, that becomes responsible for ensuring the safety of chemicals in the marketplace.

Who should register?

Producers and importers of chemicals or mixtures of chemical substances established within the European Union. Producers located outside the EU shall appoint a legal representative or an importer, with the proper know-how on handling the substances and established within the European Union. Preparations are exempted from registration; however the manufacturers of such preparations shall ensure that their products are made only of registered substances.

What are the deadlines?



* CRM (*Carcinogenic, Mutagenic and toxic for Reproduction*), PBT (*Persist, Bioaccumulative and Toxic*), SVHC (*Substances of Very High Concern*)

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What are downstream users?

Downstream user is any natural or legal person, established within the Community, other than the manufacturer or importer who uses a substance, either on its own or in a preparation, in the course of his industrial or professional activities. A distributor or a consumer is not a downstream user. They may be producers of articles using chemicals, such as electro-electronic components, or they may be formulators, such as paint manufacturers. They should consider the safe use of the chemical, based on the information given by their suppliers and they should apply risk evaluation measures. If a downstream user uses the chemical for an application not known by his supplier, he shall verify the interest of the supplier of registering such a use, or else he himself shall register it.

How Cromex is getting ready for REACH

Cromex is getting ready with a multidisciplinary workgroup, in place since early 2007, whose participants represent the relevant departments for the REACH implementation process. Cromex has already catalogued the products placed for sale in the European market, as well as all substances and quantities involved in the production of these concentrates.

As a downstream user, Cromex uses EINECS listed substances in the production of its concentrates, and for this reason, a thorough work with its suppliers was conducted in order to ensure that all substances were pre-registered before the deadline of December 1, 2008. The production of concentrates with substances reimported from Europe has already been evaluated, and it is the most probable alternative to be adopted by Cromex, as described in item 1.6.4.6 of the Guidance on registration and in item 5 of Guidance for identification and naming of substances under REACH. In the case of changes in our product formulations, customers will be promptly notified.

We have to consider that color concentrates and additives are made from more than one substance and each one of them has a given time of registration, based on the previously shown dates. This way, Cromex will gradually update the Chemicals Safety Data Sheets (CSDSs) throughout the registration period of the substances under REACH. The document will be published under the new format, as described in Annex II of Regulation N° 1907/2006.

Cromex is working for ensuring the continuity of supply of its products within Europe, as well as establishing a partnership with its customers, based on the trust and the quality of the exported products. Therefore, Cromex has chosen to pre-register over 150 substances representing most of the products sold in the domestic and export markets. In order to realize this process, Cromex has appointed an *only representative* in Europe.



In view of the need of sharing information on substances and their risk evaluations, as required by REACH, a greater effort is expected, mainly regarding the communication throughout the whole supply chain, in order to discover the current use of the products and conveying this information to our suppliers in order to have them registering the substances. It will be necessary to get in touch with the customers in order to obtain more details regarding the application and use of concentrates, since this will not happen before early 2009.

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