

European Commission  
Rue de la Loi 200  
1049 Brussels  
Belgium

Brussels, 30 March 2018

Object: Concerns of the European household care and professional cleaning and hygiene industry in relation to Brexit negotiations

Dear Mr. Michel Barnier,

Dear Ms. Sabine Weyand,

### **i) Importance of the EU-27 and UK detergents' industry**

The European household care and professional cleaning and hygiene industry provides public benefits that go well beyond the economic gains of business activity. However, this is only achievable because the industry is totally integrated in ingredient sourcing, manufacture, distribution and sales across the whole of the EU-27 and the UK.

The UK's decision to leave the EU, and the as yet, exact nature of departure terms has created significant business uncertainty for companies in both the EU-27 and the UK.

A.I.S.E. and the member association in the United Kingdom UKCPI want to highlight the detrimental consequences of any form of Brexit for the Internal Market, our sector, and to ensuring consumer protection. We support an approach that avoids negative consequences as regards employment and growth in the UK and in the EU-27. Regardless of what models will ultimately be adopted, our associations would like to stress that:

- any change that will affect the speed or cost of moving goods or people between the UK and the EU will have a deleterious effect for business and prosperity, on both sides of the channel;
- any changes that will lead to a different regulatory framework between the UK and the EU will add complexity in monitoring and implementing new regulations. A regulatory divergence or the inability for the UK to access regulatory resource from the appropriate EU agencies will delay the harmonised implementation of measures that aim to protect consumers' safety and the environment.

### **ii) Nature of entwined supply chain**

A.I.S.E. and UKCPI call for a long-term solution which safe-guards companies' license to operate, provides business certainty for the future, and enable unimpeded trade flows between both parties.



The supply and value chains for detergents are highly complex and involve cross border exchanges and the free movement of ingredients, raw materials, packaging and final products produced at a price acceptable to consumers across the EU.



A.I.S.E. and UKCPI call on both parties to avoid setting tariff barriers and customs hurdles as this could negatively impact export volumes between the UK and the rest of the EU, thus impacting competitiveness and growth. It is important to ensure that businesses and public services have the right customs capacities in place.

A.I.S.E. also calls for preservation of consistency for labelling and marketing access across the English speaking European market. Any artwork changes have significant administrative consequences, which disproportionately impact our industry as demonstrated by the results of the Commission's study on the cumulative cost assessment of the EU chemicals industry.

### **iii) Given the nature of the value chain, regulatory continuity and cooperation is essential**

Member companies of A.I.S.E. and UKCPI are currently subjected to EU Regulations directly as manufacturers and formulators of finished products, and as downstream users of chemicals reliant upon suppliers who themselves are subjected to EU Regulations. The most fundamental pieces of legislations for the industry are the following:

- REACH (Reg. 1907/2006)
- The Classification, Labelling and Packaging Regulation (Reg. 1272/2008)
- The Biocidal Products Regulation (Reg. 528/2012)
- The Detergents Regulation (Reg. 648/2004)

But companies also have to comply with the General Product Safety Directive, the Aerosol Directive, the Low Voltage Directive, the Restriction of Hazardous Substances, WEEE, Medical Devices Directive, Cosmetics Regulation, Seveso,..etc. that frame all or part of our activities, and protect the safety of consumers and the environment.

Following Brexit, any outcome that requires a duplication of these regulations, and duplication of costs associated with testing, Letters of Access and administration must be avoided as an unnecessary burden on manufacturers. Equally, by maintaining close collaboration and regulatory consistency Industry could ensure the ongoing high standards of human and environmental protection. A.I.S.E. and UKCPI support an outcome whereby:

- The EU-27 and UK manufacturers of cleaning and hygiene products continue to have access to each other's markets at no additional cost/burden;
- There is recognition of existing registrations and authorisations, including re-import of already approved product or ingredients, as well as certainty over the future status of UK manufactured substances and products;

- Continuity of access is guaranteed for UK officials to EU agencies such as the European Chemicals Agency for example through associate membership.

**iv) Given the complexity of regulatory scenarios, sufficient clarity on the implementation period is required for companies in both EU-27 and UK**

The detergents' industry welcomes the recent announcement on a transition period through to December 2020. However, the industry needs clarity about what will happen beyond that date on issues already highlighted above. In addition, questions remain as to a pragmatic and workable solution to ensure existing goods lawfully placed on the market and held in stocks in the UK and EU-27 before the date of 2020 can still be sold by distributors until all remaining stocks are exhausted.

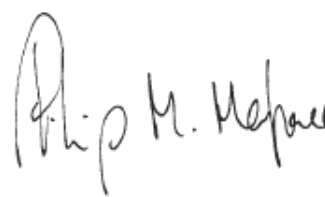
We hope these considerations can be taken into account, and remain at your disposal for any further information you may require.

Sincerely Yours,

**Susanne Zänker,**  
**Director-General, A.I.S.E.**



**Philip Malpass**  
**Director General, UKCPI**



**A.I.S.E.**, the International Association for Soaps, Detergents and Maintenance Products, is the official representative body of this industry in Europe. Our membership totals 29 national associations across Europe, 18 corporate members and 6 value chain partners. The A.I.S.E. network of members represents over 900 companies supplying both household and professional cleaning and maintenance products and services across Europe. The market value for the industry in the EU-28 is estimated at 35,6 billion EUR (2016) more specifically 28,5 billion EUR in the household care sector and 7,1 billion EUR in the professional cleaning and hygiene sector.

**UKCPI**, the UK Cleaning Products Industry Association is the leading trade association representing UK producers of cleaning and hygiene products. This covers consumer products as well as professional cleaning and hygiene products used in industrial and institutional environments. The UK consumer and professional cleaning sector generates over £4.5 billion in sales annually and employs some 30,000, many in SMEs.