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Information Release

Consequences of the implementation of REACH on the tanning industry

IULTCS, 16 Dec 2008: There has been much communication on the topic of REACH since the European Directive on chemical substances entered into force on June 2007. The regulations will take more than 10 years to implement. This information release will not describe the whole process again. There is however legitimate questions being asked by tanners globally on what should be the consequences of REACH on their business. These questions are relevant as the first phase of pre-registration of chemical compounds closed on 1st December 2008 and the candidate list of “Substances of Very High Concern” is currently under review. It is not possible to know with certainty all the consequences of REACH on all actors in the industry as the regulations and the response to its requirements is still evolving. This release is however intended to provide some informed opinion on likely consequences for manufacturers of leather.

For those who need more specific information on the regulation itself, we suggest you consult the website of the European Chemical Agency located in Finland at the following web address <http://echa.europa.eu>. You can also subscribe to the ECHA news alerts and newsletter sending your email to info@echa.europa.eu.

Who will be affected by REACH?

Although REACH is a European regulation, irrespective of the location of the factory, it does apply if the chemicals, the leather or the finished products made of it are finally sold on the European market. In the EU region REACH applies more or less to all participants of the supply chain regardless of their status, either as manufacturers, importers, distributors, or retailers. The effects will be felt by everyone who is involved in Europe and will most likely affect parts of the supply chain that are not directly involved in Europe because of the global nature of leather manufacture and tannery suppliers.

Who needs to register chemicals under REACH?

The legislation distinguishes between responsibilities of chemical manufacturers, importers or distributors, and downstream users of chemicals. The overwhelming burden of complying with the regulations will fall on the shoulders of chemical manufacturers, importers and distributors of chemicals. The responsibility of the downstream user, (in this discussion the leather manufacturer or tanner), is to ensure that their suppliers are complying with REACH regulations.

Are “downstream users” not exempt from REACH?

Under REACH regulations leather is considered an “article” which is exempt from REACH regulations. The tanner, as a “downstream user” should however be aware of special circumstances.



A). There is an exception if a “chemical will be intentionally released” from an article. The classic example of this is ink from a pen, where the ink is meant to be intentionally released. It is hard however to come up with examples of leather articles that contain chemicals where their release from leather is intentional. If the tanner is uncertain about “intentional release”, then they should consult with an expert on their specific circumstances.

B). There will also be a list of Substances of Very High Concern (SVHC) and there are legal obligations to manufacturers of “articles” that contain SVHC compounds. The tanner needs to confirm whether the chemical products they are using contain any of these compounds, and if so, how much is used and present in the leather. (See more on SVHC below)

Will REACH decrease the competitiveness of EU based leather manufacturers?

In theory, REACH introduces discrimination between actors operating within or from the European market and actors that are only involved in trade between countries outside the European Community.

Opinion: Because of the global structure of the leather and leather supply industry, and the influence of global retail brands, compliance with REACH will most likely rapidly become a voluntary norm for any leather company worldwide who wants to conduct business in international markets. We have seen this happen before with prior EU legislation - examples are limits on the use of NPE's, banned amines, etc.

How much will REACH add to cost of production?

For the manufacturers of basic chemicals, formulators or importers of chemicals there will be many consequences in the near future. Following the pre-registration phase, the registration and particularly the evaluation process will represent a significant cost for the chemical suppliers who are on the frontline. Consequently they will be obliged either to increase the price of chemicals, to stop the production or import, or relocate manufacture and supply only to the rest of the world. In theory, for European downstream users it means that either prices will increase or products will no longer be available on the European market.

Opinion: Much of the global chemical industry, especially for leather industry is based in or has links to Europe. REACH costs for basic chemicals will be spread across different industries and companies with common chemistries will work together to reduce the overall cost of compliance. Chemical companies will typically apply costs of regulatory compliance as an overhead to manufacturing cost. This will most likely result in an increase in the price of chemicals globally and not just in Europe.

Which chemicals will no longer be available for use in Europe?

It is too early to say which, if any, chemicals used by tanners will be withdrawn from the European market.

Opinion: Although it is possible that some substances may not be supported under REACH, it is anticipated that the overwhelming majority of all substances will at least be pre-registered. This means that they will remain on the market in the near future. As the regulations progress, suppliers will then notify customers of substances that may be withdrawn, but it is anticipated that in all cases the supplier will make functional alternates available.

What does the tanner need to know about the SVHC list?



A candidate list of SVHC chemicals has been published on the ECHA website. This list is being reviewed and will be replaced in early 2009 by the final list. Tanners need to check with their suppliers to see if listed SVHC substances are present in the chemicals they purchase and use in their process. If so, and if the content of SVHC in the leather is higher than 0.1% (i.e. 1 g/kg), then the tanner has a number of additional legal obligations regarding product use and notifications to their customers. They should consult the regulations on SVHC. Reference: http://echa.europa.eu/chem_data/candidate_list_en.asp.

Opinion: It is unlikely that the tanner is currently using chemicals that are on the candidate list. It may be reasonably anticipated that chemicals on the final SVHC list will also rapidly make their way onto banned or restricted substances lists and if tanners are currently using these chemicals, alternates should be sought.

What needs to be done now by tanners operating from or for the European Market?

Step 1: Ensure all chemical products being used will be registered

Tanners should obtain written verification from their chemical suppliers that they (or the supplier's vendor) have pre-registered all the substances present in the supplier's formulations. There is typically a data base of all chemical products used in the tannery. Generally these lists already exist in the framework of risk management, quality management, or to comply with Occupational Safety and Health regulations. Some formulations may not disclose all components and this is why your supplier needs to provide the written confirmation that formulated products are pre-registered.

Step 2: Confirm that no SVHC are present in chemicals used

Check with your supplier and obtain written confirmation that products do not contain any of the listed SVHC compounds on the candidate list. If chemicals are present that appear on this list, it is best to consult with your supplier and an expert on REACH.

Step 3: Ensure all end uses of chemicals are defined

It is not required at the time of pre-registration, but chemical suppliers will at some stage need to declare all the end uses and utilisations of chemical substances in the tanning industry. It is important that the tanner ensure their supplier understands and includes ALL intended uses of products to ensure proper evaluation of all user risks during assessment of substances by REACH authorities. This is necessary to ensure proper classification and appropriate end use approvals.

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