



UK REACH: Challenges & Strategy

Neil Hollis
Regulatory Affairs Manager, BASF plc

REACHLaw and CBA Symposium, Manchester, 25.10.2023

Today's Topics

1 | UK REACH: Direct Impacts due to Current Legislation and Data-sharing.

2 | EU & UK Chemicals Management Divergence.

3 | Brexit and the Northern Ireland Protocol.

4 | Looking to the Future.





BASF – We Create Chemistry

- Our chemistry is used in almost all industries.
- We combine economic success, social responsibility and environmental protection.
- Sales 2022: €87.3 billion.
- Companies in approx. 90 countries.
- Employees (as of December 2022): 111,481.
- 6 Verbund sites, approx. 350 production sites.
- Approx. 100,000 customers globally.
- **Largest company within EU REACH.**

BASF's segments

Our Eleven divisions into six segments



Chemicals

Petrochemicals
Intermediates



Materials

Performance Materials
Monomers



Industrial Solutions

Dispersions
Performance Chemicals



Surface Technologies

Catalysts
Coatings



Nutrition & Care

Nutrition & Health
Care Chemicals



Agricultural Solutions

BASF in the UK & Ireland

Key Industries



Chemicals



Home & Personal Care



Agriculture



Automotive



Production sites
6



Labs & Offices
>10



Employees
~800



Today's Topics

1 | **UK REACH: Direct Impacts due to Current Legislation and Data-sharing.**

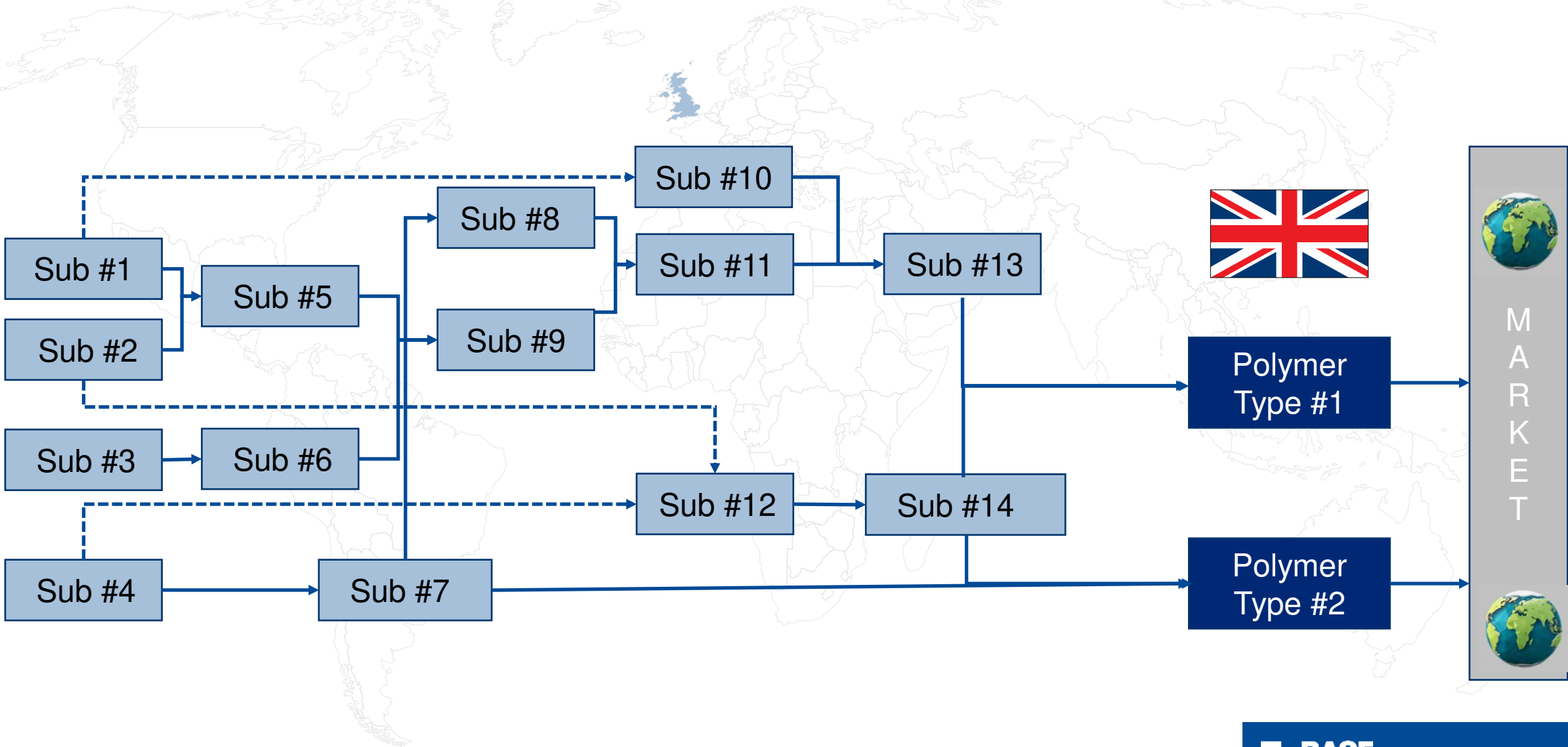
2 | **EU & UK Chemicals Management Divergence.**

3 | **Brexit and the Northern Ireland Protocol.**

4 | **Looking to the Future.**



Case-study : BASF Polymer Production Value-chain



BASF : UK REACH Transitional Measures (2021)



- Grandfathered a relatively low number of EU REACH registrations held by BASF's GB entities.
- Submitted Downstream-User Import Notification (DUINs) for importing BASF GB entities.
 - Covering products destined for UK customers.
 - Covering raw materials sourced by BASF's UK production sites.

UK REACH: Direct Impact to BASF

- Import statistics 2021 & 2022:
 - Approx. 7,000 import product/entity combinations per year.
 - Approx. 3,800 import substance/entity combinations per year.
 - Approx. 1,250 of these >1te.
 - Approx. 350 of these, BASF have not registered in EU REACH.
- If EU REACH costs are replicated, approx. £70mn to (re)register current BASF supply-chains.
 - BASF's part of approx. £1-3bn industry cost as estimated by Defra.

UK REACH : Data and Cost-sharing Approaches

BASF are aware of three common approaches to sharing end-point data:

- **Pragmatic:** Where an organisation has already been granted an EU REACH Letter of Access (LoA), they are also granted an extension to use for UK REACH.
 - May be subject to relative admin cost.
 - Approach BASF advocates.
- **Rigid:** Where the data-owner will assign and charge a value to the data.
 - Irrespective of whether the co-registrant already has EU access rights.
- **Detached:** Where the data-owner has no interest in a UK REACH registration and has no interest in sharing their data for UK purposes.

UK REACH : Data and Cost-sharing Approaches

Operational Consequences:

- UK REACH cost-sharing will be more complex than EU REACH:
 - Different approaches substance-by-substance?
 - Different approaches study-by-study within a substance dossier?
- Not all EU data will be available:
 - Various differing approaches to cover data-gaps (RA, QSAR, WoE)?
 - Replication of existing studies ?

High-level Consequences:

- Chemical products in GB will be more expensive to manufacture/import.
- Not all substances available in GB now will be registered.

Today's Topics

1 | UK REACH: Direct Impacts due to Current Legislation and Data-sharing.

2 | **EU & UK Chemicals Management Divergence.**

3 | Brexit and the Northern Ireland Protocol.

4 | Looking to the Future.



EU & UK Chemical Laws – Types of Divergence

- **Non-alignment of Immediate Transitional Topics:**
 - Example, annex II Safety Data Sheet format and headings.
- **Divergence in Decision Making and Operational Process:**
 - EU: European Commission, ECHA & MS committees.
 - GB: Ministers, HSE & Independent Scientific Experts.
 - Different judgements to be expected.
 - Dossier & Substance Evaluation.
 - Different Dispute & Appeal Processes.
- **Divergence in Substance Prioritisation:**
 - Each jurisdiction will have its own substance (or group) priorities.
- **Divergence in Policy:**
 - EU Green Deal & Chemicals Strategy for Sustainability (CSS).
 - UK “25-Year Environmental Plan” including a *Chemicals Strategy*.

UK REACH : Divergence from EU REACH

Substance Evaluation Listings

- UK REACH came into force as of 31.12.2020.
 - Since that point in time:



- EU has planned to perform **36** further entries (individual or group of substances) to its Community Rolling Action Plan (CoRAP).



- UK has added **4** entries to its Rolling Action Plan (RAP).

UK REACH : Divergence from EU REACH

Substance of Very High Concern (SVHC) Listings

- EU REACH SVHC list copied into UK REACH, as of 31.12.2020.
 - Since that point in time:



- EU has added **26** further entries (individual or group of substances) to its candidate list.



- UK has added **no** further substances to its candidate list.

UK REACH : Divergence from EU REACH

Authorisation Substance Listings

- EU REACH Authorisation (annex XIV) list copied into UK REACH, as of 31.12.2020.
 - Since that point in time:



- EU has added **5** entries (individual or group of substances) to its authorisation list.



- UK has added **no** further entries to its authorisation list.

UK REACH : Divergence from EU REACH

Restricted Substance Listings

- EU REACH Authorisation (annex XVII) list copied into UK REACH, as of 31.12.2020.
 - Since that point in time:



- EU has added **3** further entries to its restrictions list.



- UK has added **no** further entries to its restrictions list.

Trade will be 'day-to day struggle' after Brexit is completed, MPs told in grim industry forecast

Inquiry hears of massive extra costs, a mountain of red tape, shrinking investment and chemicals 'disappearing' from UK market

Rob Merrick Deputy Political Editor | @Rob_Merrick | 1 day ago | 71 comments

Trade will be a "day-to day struggle" after Brexit is completed, MPs have been told, in a bleak forecast from the key aerospace, chemicals and pharmaceuticals industries.

The inquiry heard of massive extra costs, a mountain of red tape, shrinking investment and chemicals "disappearing" from the UK market, from January.



Committees

UK Parliament > Business > Committees > Committee on the Future Relationship with the European Union > News Article

Brexit Committee hears from Aerospace, Chemicals and Pharmaceuticals sectors

29 September 2020



The Committee on the Future Relationship with the European Union returns on Wednesday 30 September with a virtual evidence session, examining how the end of the transition period will affect a trio of heavily regulated industries: Aerospace, Chemicals and Pharmaceuticals.

Expect chemical supplies in Britain to 'disappear' after Brexit, warns industry expert

 Adrian Zorzut

Published: 2:31 PM September 30, 2020 Updated: 3:48 PM September 30, 2020

A chemical expert from one of the major manufacturers has said chemicals readily available in the UK will "disappear" after Brexit.


Neil Hollis, of the chemical giant BASF, told a Commons committee on the impact of Brexit upon UK industry that government plans to pull out of the EU chemical database, known as REACH, and create its own would cost businesses £1 billion in fees.



 **lisa o'carroll** 

32.3K Tweets



lisa o'carroll  @lisaocarroll · Sep 30

NEW Chemical industry warns of £1bn Brexit costs
Neil Hollis, BASF tells Brexit sel comm of £1bn costs for registering chemicals post Brexit. Says some chemicals probably won't be available in UK as result. "There's no positive spin on this one," he tells Hilary Benn.

 61

 1.2K

 2.2K

Following

UK REACH : Political Developments

- 06.12.2021: UK Government announcements:

- [Deadline for UK REACH to be extended - GOV.UK \(www.gov.uk\)](https://www.gov.uk)
- [UK REACH chemicals registration: letter to industry leaders \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

“government will engage with industry and other stakeholders to explore whether there are opportunities to reduce the need for industry to replicate existing EU REACH data by placing a greater emphasis on understanding how chemicals are used in GB.”

News story

Deadline for UK REACH to be extended

Government to consult on UK REACH deadlines

From: [Department for Environment, Food & Rural Affairs, Health and Safety Executive,](#) and [The Rt Hon George Eustice MP](#)

Published 6 December 2021

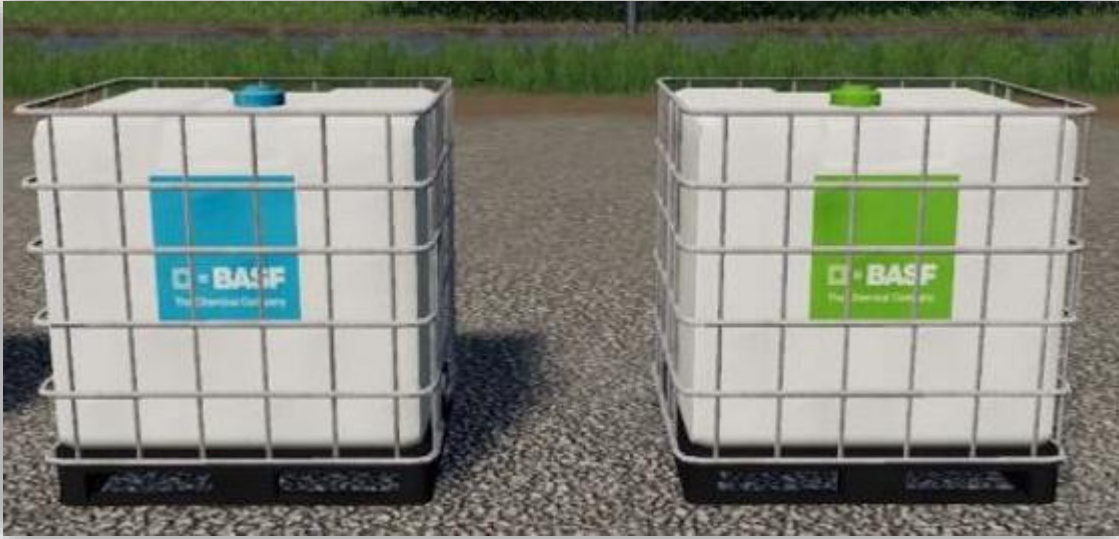


UK CLP : Divergence from EU CLP

- UK CLP came into force as a copy of EU CLP, as of 31.12.2020.
- Address on hazard label must be relevant to jurisdiction.
- EU CLP 17th ATP, into force 17th Dec'22.
 - EU harmonised classifications no longer fully aligned to GB mandatory classifications.
 - New EU Hazard Classifications.



UK CLP : Divergence from EU CLP (Relabelling)



- Product manufactured in EU and labelled at point of manufacture.
 - EU CLP labelled.
- Product ordered by BASF UK.
 - GB CLP re-labelled.
- Additional costs incurred for GB business.
 - Prohibitive for small packages.



Today's Topics

1 | UK REACH: Direct Impacts due to Current Legislation and Data-sharing.

2 | EU & UK Chemicals Management Divergence.

3 | **Brexit and the Northern Ireland Protocol.**

4 | Looking to the Future.



Northern Ireland (NI) Protocol

Business systems & processes had UK as part of EU
- and Northern Ireland as part of UK.

- Remove UK from EU structures & controls.
- Remove NI from UK structures & controls.
- Re-insert NI into EU structures & controls.



Northern Ireland Activities:

- EU Labels & EU SDS required.
- Products compliant and volumes tracked relating to EU REACH.

Great Britain Activities:

- GB Labels & GB SDS required.
- Products compliant and volumes tracked relating to UK REACH.



UK Product Compliance Project

- Label Management.
- Mandatory Classification Divergence.
- SDS Format & Distribution.
- Divergent SVHC Listings.
- EU & UK Volume Tracking.
- NI Protocol Adaptions.
- International Sanctions.
- Other regs (dual-use...etc.)

Today's Topics

1 | UK REACH: Direct Impacts due to Current Legislation and Data-sharing.

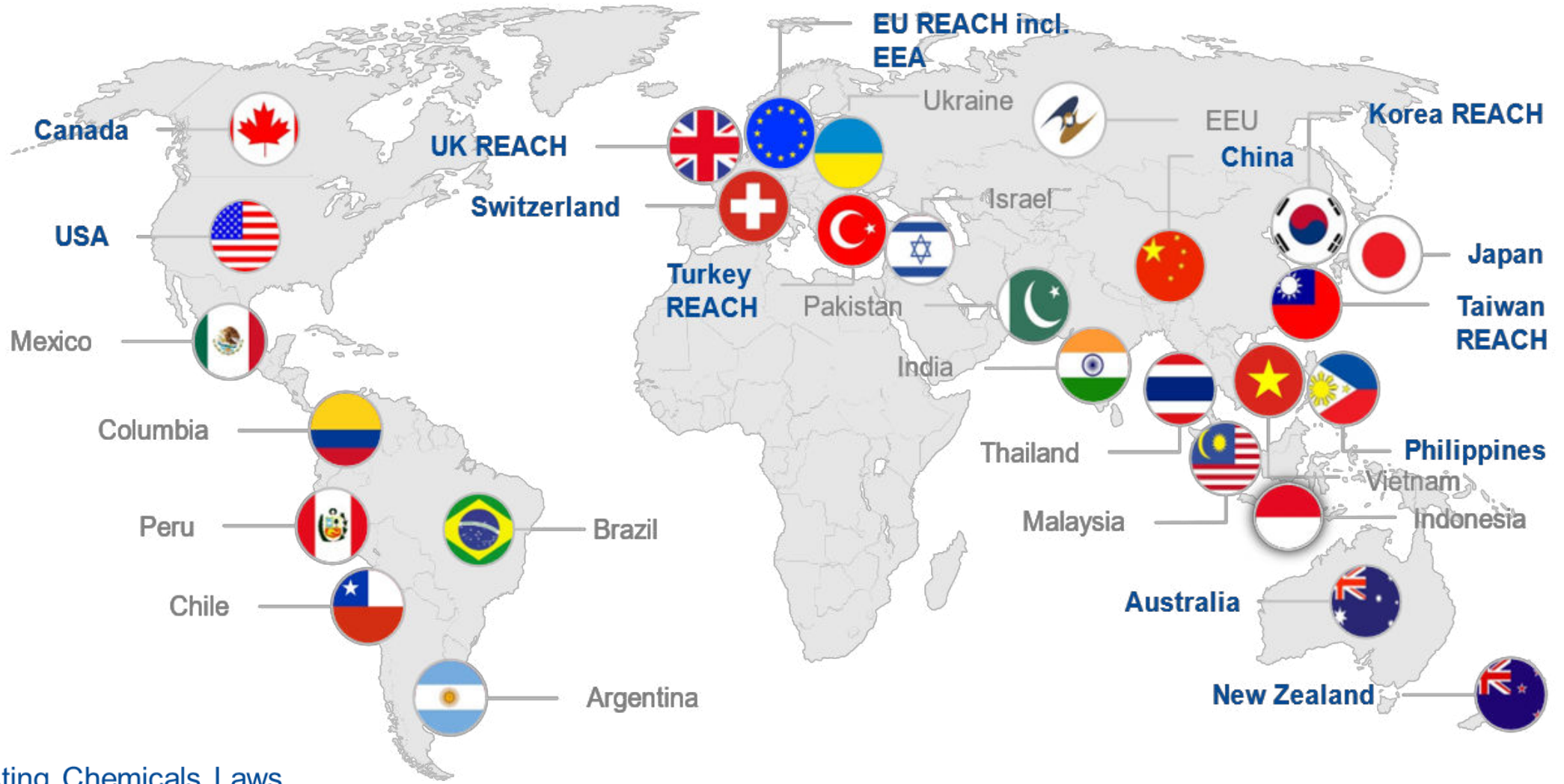
2 | EU & UK Chemicals Management Divergence.

3 | Brexit and the Northern Ireland Protocol.

4 | Looking to the Future.



Global Regulatory Landscape - 2023



Existing Chemicals Laws
Emerging Regulations

Future Divergence : EU Policy

- **EU Chemicals Strategy for Sustainability:**
 - Published 2020 as part of the EU Green Deal:
 - Climate neutral continent by 2050.
 - Zero pollution & toxic free environment.
 - >80 regulatory measures proposed:
 - REACH revision.
 - Polymer registration.
 - 'Essential Use' concepts.
 - Generic Risk Approach (GRA).
 - Mixture allocations.
 - Nanoform definition.
 - CLP Revision:
 - New hazard classes.
 - Safe and Sustainable by Design (SSbD).
 - One Substance, One Assessment (OSOA).



Environmental Improvement Plan 2023

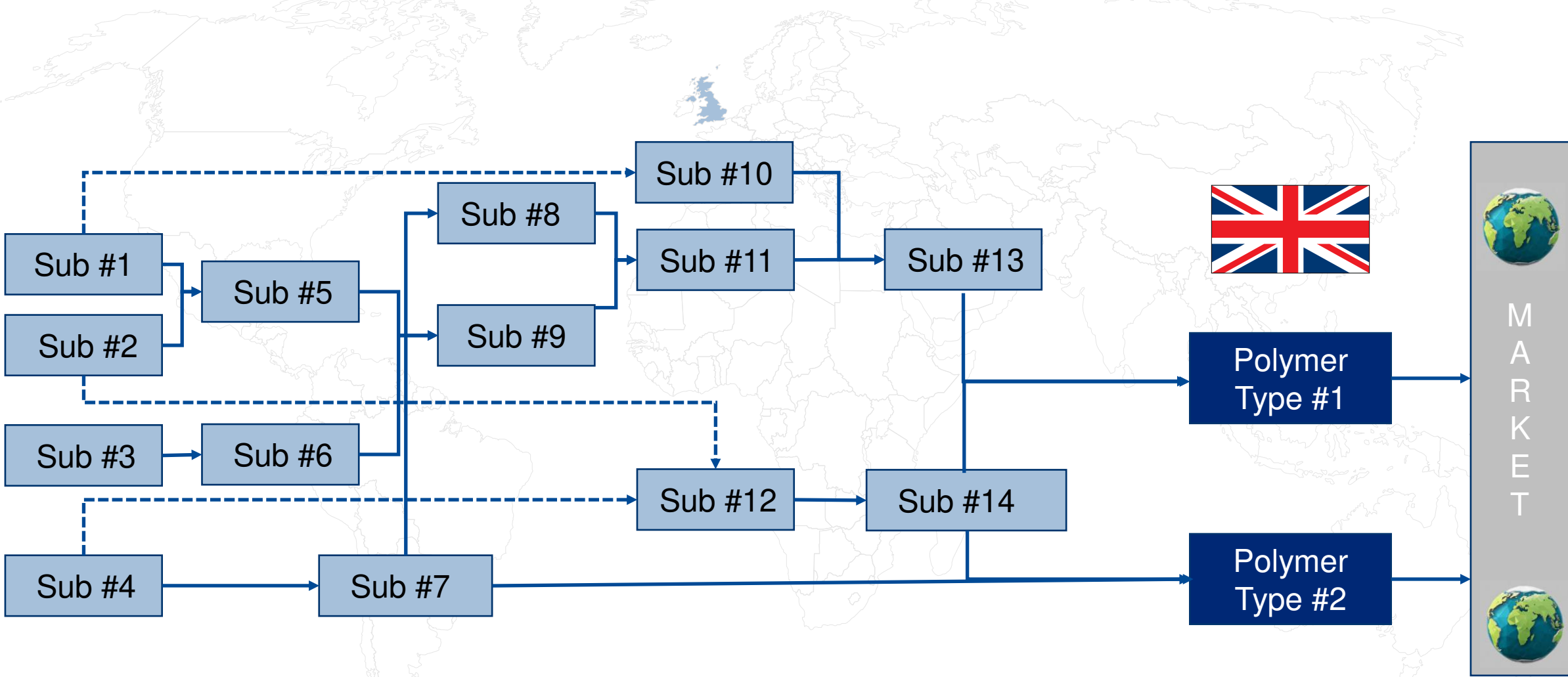
First revision of the 25 Year Environment Plan



Future Divergence : UK Policy

- **UK Environmental Plan:**
 - First published in 2018, refreshed in Jan 2023.
- UK Chemicals Strategy:
 - Commenced in summer 2022 with a series of stakeholder workshops, themes being:
 - Sustainability.
 - International Status.
 - Priority Chemicals & Emerging Risks.
 - Waste.
 - Regulation.
- Publication expected later in 2023.

Case-study : BASF Polymer Production Value-chain




UK REACH

BASF advocates a fair, pragmatic & proportionate regulation without lowering existing standards.

Keeping costs, bureaucracy and technical barriers to trade at a minimum.

A regulation that:

- recognises the level of compliance made by supply-chains with respect to EU-REACH.
- allows UK chemical users to continue sourcing from a wider European portfolio and competitive supplier market, not being restricted to only substances/suppliers registered under a UK regime.
- acknowledges animal welfare concerns and does not lead to vertebrate study repetition.
- does not negatively affect productivity, investment or innovation.
- ensures the UK authority regulates chemicals of concern based on risk as well as hazard, separate to the EU if desired.



Neil Hollis
Regulatory Affairs Manager at BASF

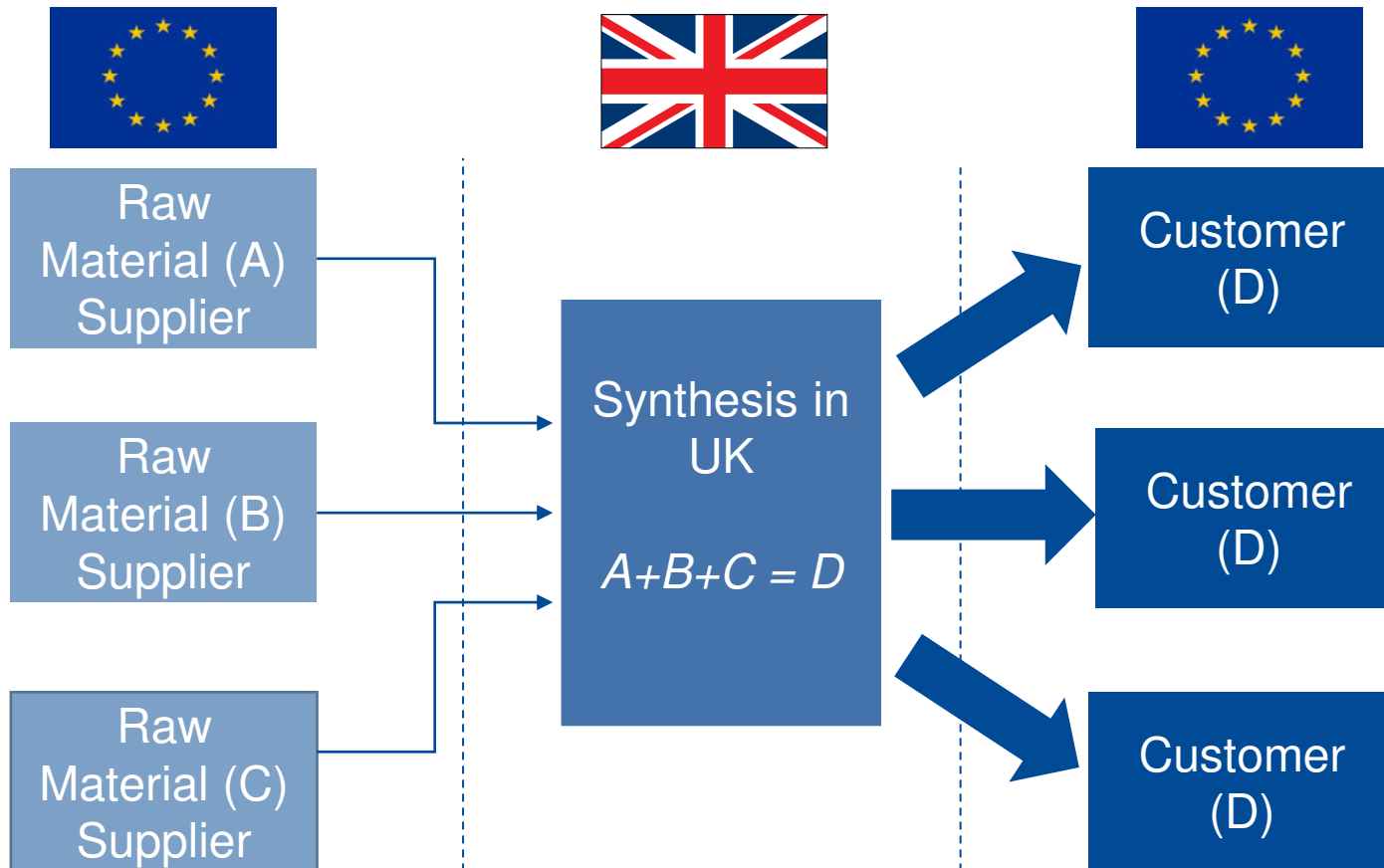
A circular profile picture of Neil Hollis, a man in a dark suit and blue tie, speaking at a podium. The podium has a microphone and a logo. Behind him is a blue backdrop with a chemical structure icon, the year '2021', and the text 'Clean Edge'. The background of the photo is an industrial facility at night with lights and smokestacks.

[Neil Hollis | LinkedIn](#)



We create chemistry

UK REACH – Additional Bureaucracy



Previously:

- A, B, C & D - EU REACH registered by each manufacturing entity.
- **4 registrations**

Now:

- A, B & C - EU REACH registered by each manufacturing entity.
- A, B, C & D – UK REACH notified/registered by UK entity.
- D – EU REACH registered by each importing entity.
- **10 registrations**
(8 registrations if UK entity appoints EU OR)