**Venue: Microsoft Teams Meeting**

**Date:** **12th March 2021**

**Time:** **10:30**

**CONFIDENTIAL**

***PRESENT ON THE CALL***

Peter Newport (PN) CBA - ACA Chairman

Lorna Williams (LBW) BASA - ACA Secretary

John Reid (JR) BACS

Patrick Heskins (PH) BAMA

Tom Bowtell (TB) BCF

Emma Meredith (EM) CTPA

John Dorken (JD) BRPPA

Lisa Hipgrave (LH) IFRA UK

Peter Davidson (PD) TSA

Ellen Daniels (ED) BCGA

Jo Bray BEIS (11:30) (JB) BEIS

Steve Elliott (SE) CIA

Philip Malpass (PM) UKCPI

Matt Davies (MD) BPF

David Wright (DW) UKLA (Guest)

Tim Doggett CBA CEO Designate (Guest)

***APOLOGIES***

Phillip Law (PL) BPF

**Minutes**

1. **Welcome, competition law reminder and apologies for absence**

All attendees were reminded of the requirement to comply with Competition Law. Apologies were received from Phillip Law and PN explained to attendees that we had the Director General of UKLA David Wright in attendance as a guest considering joining the ACA.

Jo Bray will represent BEIS and is scheduled to join the meeting at 11:30.

This will be PN last meeting and Tim Doggett will take over from PN as CBA CEO from 1st May 2021

**ACTION TO C/F: SE to discuss with PL**

1. **Minutes of the ACA GtM meeting held on 4TH December 2020**

No corrections so the minutes were approved.

1. **Approval of the Agenda for today including matters arising not on agenda**

Most of the actions related to a request to LV to pass on concerns on a number of issues so this would be raised with JB later in the meeting.

The issue of attendee substitution relating to the fact that PL from BPA no longer attends the meetings. MD was in attendance for BPF and offered to bring this up with PL. The ACA preference is still for the representative to be CEO level (or the most senior manager)

**ACTION was carried forward to the next meeting**

BASA UK CA marking draft is still in production due to a delay receiving feedback on two important points from MHCLG. BASA intends to publish something by the end of March and will share with CA at that point.

ACTION LW

SE explained that the Industrial Strategy is formally dead, and questions will be asked regarding what will happen next at the Chemistry Council meeting at the end of March. A long-term growth plan will replace the Industrial Strategy but as this is Treasury lead the purpose is not clear.

The response regarding the Rematch project (Imperial College, London) was sent.

There were no additions to the Agenda, which was approved as circulated.

1. **Covid-19 Update**

We have a government re-emergence plan and critical supply chains have to continue working with operating staff. The office staff returning is not clear. Normal office working will not resume until 21st June at earliest, unless they are essential workers supporting the essential supply chain. At some point there will be a review of office COVID safe working requirements and government may alter the dates as a result of that review.

These are mixed messages as the stay-at-home order finishes on 21st March. So, this is a lack of clarity. No context is set and no risk assessment of the exact site circumstances.

Companies can have lateral flow tests, so this seems to be encouraging return to offices. RIDDOR reporting seems to be changing as there may be different views, BUT how can you prove that people have been infected at work? There may be some move from the Unions to try to get a different view from the HSE.

The advice is to make sure that you have the correct PHE contact at your site to minimise issues with bringing in non-UK workers to minimise issues if the workers are flagged when someone else on the flight tests positive.

Over the last 6-8 weeks companies have seen an increase in HSE spot checks (random) on premises. HSE is looking at COMAH provisions and looking at COVID aspects. Also, in non-COVID sites seeing HSE inspections, with Fee for Intervention charges for non-compliance. Definitely seeing more activity in this area. Asset and people resilience is important

In terms of employers’ liability cover, some renewals are saying they won’t cover for business interruption. There have been increases in premium, with an offer that if the insured did away with events cover premiums can be reduced. So, some insurers are trying to remove some liability aspects.

There is uncertainty about vaccination requirements for future events. Legally companies cannot force anyone in the workforce to accept the vaccination, but they are being flexible about appointments during the day and trying to encourage. Vaccination requirements for new hires may be slightly different and maybe it might be possible to require these? The policy across care homes (high risk sector) is inconsistent, some require staff vaccination, others not. It seems that most companies are not having vaccination policies.

1. **Brexit Update including UK REACH**

**Common Frameworks**

There was nothing to add to the information in the last minutes. It is not clear how much the devolved governments will impact on legislation and at the moment it only seems to be related to single use plastics.

Hazardous substances consent land use planning is seen to be working well by HMG and should be able to be applied. But ‘working well’ is not necessarily our industry view of the regime.

**UK REACH**

We are all aware of the cost implications and consequences to the sector, but we understand that there is talk about ‘having another look at this’ and there is now a working group promoted by our recent letter. There is a rival letter from NGOs on the Chemtrust website. The Chemicals EU exit group met mid-February and the door is slightly open. It was felt that there was a need to encourage the business department (BEIS) to push this harder. We need more pragmatic options but are negotiating in good faith, looking at a plan B in case DEFRA do not come on board.

We really need to work with the NGO’s who have fears about a race to the bottom. There must be ways to reassure them that this is not what industry want. We are doing what we can. ChemTrust are asking for a Swiss style arrangement where UK just accept all EU Regulation and holds no data. Their argument is weak considering the UK desire to self-regulate.

DEFRA was of the opinion that extending the timescales would fix the issues, and this is not the case it just extends the pain over a longer period. The weakness of the current UK system relies on getting the data. IF this can be accessed easily at low cost then OK, but the anecdotal evidence is that this is not just being offered at a small admin fee or free.

The fees component is actually not the significant part, this may only be about 12% of the costs, so reducing fees would not resolve the biggest problem which is data acquisition costs. The chemicals voice is unanimous, and it is simply not understandable why the data requirement for existing chemicals are still being insisted on. No data no market is a false premise for substances transitioning from EU REACH to UK REACH. The dossiers have all been submitted and scrutinised by EchA and HSE were involved in that process.

**ACTION: SE will get Nishma to supply documents to LBW for circulation – done**

It might be an idea to look at options for media involvement in future. Other MPs are looking to raise questions, and this is happening in both Houses. We need to keep in touch with trade unions as the NGO letter mentions safety of workers. Our letter seems to be supported by trade unions and Rebecca Pow (DEFRA minister) has acknowledged this.

**UK CA Marking (and CE UKNI Marking)**

LBW explained that the BASA UK CE marking guidance has been delayed because of a lack of clarification form MHCLG. We intend to issue the guidance by the end of March, and it will then be shared with ACA members.

PH explained that for aerosols the move to UK CA marking instead of the reverse epsilon is causing issues and they are working with OPSS to resolve. Where there are various sectoral issues where the product has to meet multiple regulations the OPSS view is that unless all regulations are met no UK CA marking can be affixed. In addition, advice from DfT is that where a product falls under two regulations with different standstill periods the longer standstill period would apply.

**ACTION: LBW agreed to share BASA Guidance on UKCA marking under the CPR due to be issued at the end of March.**

1. **EU Poison Centres Update (ALL)**

No new information

1. **Training and Skills Update (ALL)**

No new information

1. **EU REACH Update (ALL)**

ECHA report that 278 substances have not been transferred to an EU legal entity so those will lapse some are clearly intermediates, but there is not feel for how many of these are actually used in the EU

In terms of the EU chemicals strategy there are some concerns about how this is going to continue to make things harder. 80 new regulatory tools on chemicals are expected. The EU stated publicly that 10% of current chemical inventory shall be withdrawn from the EU market, but this figure is thought to be closer to 20-30% by Cefic. This is causing a lot of consternation on the chemical manufacturing side.

What does the UK / EU Trade and Cooperation Agreement mean? This means that UK cannot go backwards but others are suggesting that if the EU adopts a more onerous position, they will say that UK have to be in lockstep!

REACH was said to be a major global success by the EU, so the EU feel that taking their new approach will mean that the rest of the world will follow, but in fact, a lot of countries have chosen not to follow EU REACH. The comment from Chemical Watch is that with an EU market of 500 million and a total market of 6.5 billion - there is a market of 6 billion that does not follow the EU and perhaps the UK should focus on this other market

LBW mentioned that there are EU customers who are taking a view on EU REACH compliance of the monomers in the polymers contained in adhesives & sealants and insisting on full formulation disclosure and the actual REACH registration numbers of the monomers, despite this not being needed, so there is education work to do. These requests are mainly coming from German customers.

1. **EU Chemical Security Consultation**

PN explained that Ernst and Young have been engaged for informal consultation for chemicals security within the EU, this year talking to EU umbrella organisations on sulphides, phosphides and hypochlorite’s sales to consumers EY produced a number of regulatory and non-regulatory proposals. The key is the % concentration for consumers to trigger compliance with proposed acquisition, possession and use licensing requirements. Background checks could be instigated, but the level is unclear, and can this be done within GDPR? There is likely to be kickback on this heavy-handed approach due to National Government capacity constraints handling the background checks aspects.

We don’t know what the UK Home Office view will be - hopefully they will not adopt this and will take a more sensible view

1. **BEIS Report (Jo Bray joined the meeting at 11:30)**

JB had discussed with HSE that morning and could confirm that there was no intention to set up new poison centres provision. The GB CLP system retains the original system, maintaining a voluntary system encouraging suppliers to submit SDS to NPIS.

Lee Vousden’s replacement will be Aroon Akhtar, and he will come to next meeting, he will lead on non-EU exit chemicals work with lots of work on net zero and Chemistry Council and Growth. Heather Thomas is moving on at the end of the month, moving on to vaccine task force and we all acknowledged that this will be a big loss. Alex Bristo has been working with Heather and will take over. Ministerial changes since December are that Kwasi Kwarteng is now the new SoS. The previous SoS Alok Sharma was appointed President for COP 26 on 8 January 2021 so retains an interest in net zero. KK has set out his priorities, with the main one being net zero and linking everything to the 10-point green plan launched in December. Nadhim Zahawi is now responsible for the vaccine programme. And we had Lord Grimstone for a few weeks and Lord Callanan is now in post (used to be an MEP so is familiar with REACH).

Post Covid recovery is another massive priority, so BEIS are looking at how all the sectors are doing post pandemic. The WHO assessment is that it will become endemic in future.

T&CA with EU is the biggest thing that has occurred since the last ACA meeting in December. The good news as it reduces the majority of the tariffs but BEIS are aware that this is not the end of the story for the chemicals sector.

BEIS are working with DEFRA to look at mitigations for UK REACH. The lack of a data sharing agreement with EchA was the biggest disappointment. The impact on industry of the costs of resubmitting the EU data to HSE is being discussed.

Cross border traffic issues are still coming up. There are RoO issues and BEIS continue to work though these and help. Today’s economic news is a £5m trade drop, but not clear whether this is just a short-term initial impact or a full-blown trend.

The BEIS focus is shifting away from the EU exit topic to manage issues post-Brexit. Net Zero is a definite focus.

We reminded Jo of the industry letter on UK REACH and the volume and strength of signatories. Our perception is that DEFRA do not really want to re-open the debate and want to put up walls and barriers to the industry trying to ‘re-open the issues’. DEFRA cite NGOs and green MPs, but from our perspective we are looking to BEIS to provide guidance and further support to focus on protection of business in the chemicals sector and downstream. If we get this wrong UK PLC will be badly affected. How can we keep up the political pressure?

DEFRA – Ministers have an interest and are asking BEIS for updates, so we are definitely on the agenda.

Our letter also got media interest, so this has helped. As well as talking to DEFRA and HSE, Jo is also talking to Treasury, given our pivotal role in the economy. JB suggested that raising the profile in terms of how the sector can help with net zero would be useful. COVID has raised a lot of questions about supply chains and chemicals sits in this vital space, something that Ministers did not realise.

PN added that there is still time to sort out the issues with UK REACH and it is better to take some time and get the right solution rather than rush to fix things in the next few weeks in the Environment Bill. Where there is a Political will it can be done! Industry wants a fundamental fix and not something that tinkers around the edges.

Going back to the EU on the annex in the T&CA regarding non-confidential data sharing is difficult as we are not planning on going back to reopen any T&CA aspects. BEIS & Industry are trying to work out what this annex means. The political atmosphere between the UK and EU is somewhat frosty, so right now there are no plans to re-open anything.

Niall Mackenzie was looking at the impact of Brexit in terms of what resources the UK needs. Now that we are actually living in the post EU world, should we not re-examine this?

Jo expressed her thanks to Peter Newport for his last meeting, and work over the years and ACA members expressed our huge regard to Heather for all her invaluable help. Many issues realised by ACA have been dealt with exceptionally by Heather, who has done a fantastic job for us.

**Conclusion of BEIS report & JB left the webinar**

1. **Cross sector preservatives group update (TB)**

There have been discussions about how we can move this forward and how much appetite there now was. It was felt that we could look at this once we have a bit more headspace. After the MORI survey, which was funded by the participants, we were waiting for consensus from CSPG as to how we can engage with government and use the MORI results to best advantage. The message can be stronger coming from the downstream users.

What about changing the cross-sector REACH group to the cross-sector chemicals regulation group? There may be some merit in this. Taking it here would open a more technical argument. We need to decide on what our lobbying position should be, but we need to understand the landscape.

Anyone on the group should send comments to Tom, but we need to be careful if widening the scope causes resource and duplication issues for those taking part.

GB BPR has potential not just to take biocides off the market but also some disinfectants. Already some companies are taking the decision not to support some substances on the UK market.

The cost is definitely an issue, but perhaps less so for the larger manufacturers.

**TB and JR will work together to see what can be done to progress this issue.**

1. **Chemical Stakeholders Forum (JR)**

Met via Zoom last month, with 100 people or so on the call. There had not been a great deal of progress on the WGs.

UK Chemicals Framework chaired by RSC shows slow progress. The idea was to look at all worldwide initiatives and to see what rest of work is doing relevant to UK chemical strategy as we don’t want to reinvent the wheel

The fact that it is a rotating chair does not make for strong chairmanship or direction as there is little consistency. CSF would work better with an independent chairman, to keep better order and a cohesive direction.

1. **The Chemistry Council & Sector Plan (SE)**

SE had left the meeting, so this agenda item was left for the next meeting.

1. **Appointment of ACA Chair**

A vote for the appointment of new Chairman following the last meeting confirmed Tom Bowtell as the new Chairman and TB will take over from the next meeting.

All ACA members echoed Jo’s comments about Peter’s drive to the betterment of our sector, giving us diligent and strong representation. ACA members hoped to be able to have a lunch to properly say goodbye to both Peter and John Dorken when we can eventually get together.

1. **AOB**

ACA Members recorded thanks to John Dorken before his (3rd) retirement and JD confirmed that BRPPA will come to an end at the same time. PN in particular gave thanks for Johns’ insights into the civil service to secure the correct written output from ACA into the ministries.

**2021 meeting dates - 11th June 2021 at 12:00**

**TB asked LBW to send out a doodle poll with dates for the subsequent two 2021 dates (September and December)**

UKLA ACA membership would be discussed outside the meeting should, they decide that they wish to join.

**ACTION TB and DW will discuss further.**

There being no further business the Chairman closed the meeting at 13:00 thanking everyone for their participation and wishing us all well.