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| Board meeting 05/2021 | |
| Minutes | Web conference  8 December 2021 10:00 – 13:00 |

Guest: Marco Mensink, DG Cefic for agenda item 5.5.2

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| ***Participants***  *By phone*  Mr Giuseppe ABELLO, Assocasa  Ms Heather BARKER, Reckitt *(partly)*  Ms Ana-Maria COURAS, A.I.S.D.P.C.L.  Mr Jean-Paul DECHESNE, Colgate Palmolive  Ms Virginie D'ENFERT, Afise  Mr Ismaël DJELASSI, Mondo-Spechim  Ms Helle FABIANSEN, KoHB  Mr Ludger GRUNWALD, Ecolab  Mr Ad JESPERS, Diversey  Ms Sari KARJOMAA, KH  Mr Thomas KEISER, IKW  Mr Philip MALPASS, U.K.C.P.I.  Mr Stefan MÜLLER, Dalli-Werke  Mr Lorenzo POTECCHI, SC Johnson  Ms Mihaela RABU, Rucodem  Mr Thomas RAUCH, I.H.O. (Observer)  Mr Arndt SCHEIDGEN, Henkel (with also proxy from Ch Fr  Gaudefroy)  Ms Françoise VAN TIGGELEN, Detic  Ms Nadia VIVA, P&G (Chair)  Ms Ana GASPAR, Colgate Palmolive (as observer) | *From A.I.S.E*  Mr Luca CONTI  Mr Dave HEMINGWAY  Ms Majlinda COBAJ *(partly)*  Mr Sascha NISSEN *(partly)*  Ms Jan ROBINSON  Ms Valérie SEJOURNE  Ms Susanne ZÄNKER  *Apologies:*  Ms Anna OBORSKA, P.A.C.D.I  Mr Charles-François GAUDEFROY, Unilever |

1. WELCOME AND REMINDER OF COMPETITION LAW

The rules of the Competition law were reminded, and all agreed to adhere.

1. APPROVAL OF AGENDA

The Chair, Nadia Viva welcomed the attendees. The agenda was approved as reshuffled and sent with the Meeting Guide (sent on 2 December 2021). She also warmly welcomed Ana Gaspar from Colgate-Palmolive (see agenda item 4.1.)

1. APPROVAL OF [MINUTES](https://aise.wall.idloom.com/#/filelastversion/13528) & REVIEW OF ACTIONS OF LAST MEETING (14 Oct 21)

The Minutes from the last meeting were approved. No specific actions were listed at the meeting.

1. governance
   1. Change of a Board Member (Colgate) *(for approval)* *(L.Conti)*

As of 1 January 2022, current Colgate-Palmolive Board Member Jean-Paul Dechesne is resigning from the A.I.S.E. Board due to future professional plans. His replacement will be his colleague, Ana Gaspar. Mrs. Gaspar joined the A.I.S.E. Board Meeting as an observer and will become full Board Member representing Colgate-Palmolive as of 1 January 2022 until the GA in June 2022. Official nomination will be finalised retrospectively during the next Annual General Assembly in June 2022.

A.I.S.E. Board endorsed Ana-Gaspar as the new Colgate-Palmolive Board Member as from 1.1.2022. The Board also took the opportunity to warmly thank Jean-Paul Deschene for his active and most valuable contribution to A.I.S.E. and the Board for so many years.

* 1. Ensuring A.I.S.E. Financial viability – principles and assumptions for the preparation of a Budget prospect 2022-2026 *(for approval)* *(A.Scheidgen/ I.Djelassi)*

A. Scheidgen presented the outcome of the first assessment of the Financial TF on the future development of the A.I.S.E. budget and prospect until 2026. The Board gave the mandate mid-year to set up a small TF, when it was identified that the financial viability is impacted due 1) to the decreased income (mainly linked to loss of membership fees by UKCPI and a member company) and 2) increased expenses (mainly linked to cope with the workload related to the Green Deal) [(see slides).](https://aise.wall.idloom.com/#/filelastversion/14516) After having looked to different areas to reduce expenses, different options/ scenarios were presented as to increasing membership fees.

All thanked the TF for the thorough work undertaken, which provides a good basis for discussion to progress the work. The NAs expressed their surprise about the situation and the increase of A.I.S.E. fees, and made the following points:

* NAs will need a very strong justification and added value at national levels to have their Boards accept an increase of contribution to A.I.S.E.
* Indexation of salaries should be disconnected from indexation of overall budget. 4% indexation on salaries does not mean 4% increase of the overall budget. It was however explained that the payroll represents 63% of A.I.S.E. main budget.
* The risk is to lose some NAs as A.I.S.E. members if a higher contribution to A.I.S.E. is requested; in this context the situation as to the 2 national associations linked to AI.S.E. through a service agreement was raised and also Greece to explore their capacities to pay membership to A.I.S.E.
* NAs are themselves under high financial pressure from their members and are obliged to find alternative solutions to maintain their income (e.g., find new members), hence a strong objection of any increase of their membership fees to A.I.S.E.

Proposed ways forward to be explored:

* Prioritise A.I.S.E. workplan and maintain FTEs at a minimum level, assessing also activities that cease and that potentially temporary increase such as the Green Deal
* Budget and priorities must be examined by all members and A.I.S.E. management who shall come back with a proposal for acceptable increase of fees in a transparent and granular way.
* Underline what additional output will A.I.S.E. provide with increased resources
* Zero budget exercise: spare on all possible expenses, i.e., revaluate fixed expenses (offices, consultants, meetings….).
* Differentiate between legal required indexation increases from budget increases.
* Remark from PC&H representative: streamlining A.I.S.E. workplan should not lead to less involvement for the PC&H sector. Otherwise, it will be even more difficult for the PC&H companies to justify their contribution to A.I.S.E
* Acquisition of new members: Jan mentioned interest from new potential Associate members on Polymer TF. It was also underlined that the fee of Associate members is very low for the service they get from A.I.S.E., potentially increase of the basic membership fee. (Remark: in scenario 2 of presented budget simulation, already included 1 new AM every year).
* In order to better grasp the real figures versus the relative increase, a table could be added to outline the actual increase. The treasurer reminded that the increase of budget in absolute figure remains in the range of 200K, to be distributed among all members.

*ACTIONS:*

*- Share slides and outcome at the NAC on 9 December for further input (H. Fabiansen)*

*- Progress work taking into account the above comments from the meeting of the Board and the NAC next day; presenting the higher and lower figures (Financial TF)*

*- Present proposals at the next extra call of the Board in January 2022.*

1. KEY TOPICS
   1. European Green Deal: Activities on CEAP: Debriefing from *(S.Nissen/N.Viva)* meeting with COM DG ENV on A.I.S.E. technical proposal Charter/PEF (30 Nov)

Objective of the meeting on 30 Nov with Emmanuele Maire, Head of unit DG ENV Sustainable Production, Products and Consumption, and her team was to retrieve COM feedback via an open discussion to our technical proposal, i.e., to develop together a successful cleaning and maintenance industry scheme by introducing PEF criteria into the A.I.S.E. Charter.

**Main learnings**

* COM did not say ‘NO’ to our proposal: BUT, they do not know / are not fully convinced on how to react at this moment of time to a hybrid Charter/PEF
* Continued struggle of COM to finalise the legal proposal of ‘Green claim substantiation’ package, which is now expected for March 2022
* The full deployment of this initiative is expected to take several years
* Complex situation with member states (e.g., France, which is well progressed with their own laws on circular economy and climate action
* “Governance” seems to be a new idea (governance/helping the market operators at EU and national level to implement EF-based legislation)
* A.I.S.E. is on right track with the current Charter 2020+ and the planned technical revisions as explained in the technical proposal and to take advantage of the upcoming legislative proposal; however, further alignment will be needed.

The Board agreed to the proposed points for action to address the points, which were raised by COM. Those focus on consumer faced product comparison/differentiation, full life-cycle approach, and on ingredients’ assessment (risk-based vs. USETox) ([refer to slides](https://aise.wall.idloom.com/#/filelastversion/14516)).  
Then, Dave Hemingway informed the Board that the Advocacy SG has already started to draft an outlined action plan, which will cover key priorities, intelligence gathering, considering also to protect good working relationship with COM. ***ACTIONS:   
- adjust workplans on initiated and potential new technical workstreams and identify help needed. (SSG)  
- prepare full outreach strategy plan, incl. timelines, identify allies, timing and opportunities to elevate political outreach (ADV SG).***

* 1. Digitalisation: Commission study & results from A.I.S.E.’s research *(V.Séjourné)*

Recent findings from consumer research held in FR, POL, SP and SWE on simpler label options and provision of hazard and sustainability information online were shared by V.Séjourné. See [summary slides](European%20Green%20Deal:%20Activities%20on%20CEAP%20-%20Debriefing%20from%20meeting%20with%20COM%20DG%20ENV%20on%20A.I.S.E.%20technical%20proposal%20Charter/PEF%20and%20points%20for%20action).

*In a nutshell:* The data confirmed that the simpler label proposed by A.I.S.E. is the one favoured by consumers, and that the value of information provided on a website (via QR code) is greatly appreciated by consumers. It also indicates that allergen information is wished to be labelled in an exhaustive way (50% of the sample). And that the alternative label with all ingredients listed is not the one favoured by consumers. Providing online more details on how a brand meets the Charter criteria is also very much appreciated. These findings are therefore supportive to the A.I.S.E. strategy. On allergens, it was mentioned that liaising with additional independent experts (e.g., IVDK) was being organised, to complement expert’s views.

Those findings were not discussed in detail and still need to be analysed by the relevant A.I.S.E. groups (SSG, Digitalisation WG, Detergent Regulation WG, CLP WG). However, the strategy for the next steps, concerning hazard information, proposing to present these data at the upcoming Commission Detergent WG meeting on 15 December, was supported, as very timely. A.I.S.E. will also contribute to the Public consultation on the topic open till 16 Feb 22.

* 1. Climate communication campaign – Progress *(V.Séjourné)*

Progress on this mandate from the Board (since June 20 and Feb 21) was shared. (Cf slides). Aim is to provide recommendation to the next Board regarding more specific activities – based on a central toolkit/visual- that detergent brands and companies, in the laundry, dish, all-purpose cleaner business, should commit to leverage so as to get the CO2 footprint from the use phase (i.e., 60% of out CO2 footprint) lowered. As part of the good project progress, consultation with academia experts would be envisaged in the next steps.

Due to limited time, and some prior discussions (cf 4.2.), N.Viva asked the A.I.S.E. team to check internally and within the relevant A.I.S.E groups (e.g., SSG), where this project was ranked in the prioritisation work. Update on this should be provided at the next Board meeting.  
*ACTION:   
- Secretariat and SSG to discuss and confirm at next Board.*

* 1. MEP outreach campaign and next steps *(D.Hemingway/L.Conti)*

In mid-November, A.I.S.E. organised a Political outreach towards Members of the European Parliament (EP). A.I.S.E. Secretariat and Members met more than 20 MEPs’ offices with the objective to introduce A.I.S.E. activities and policy priorities for this legislative mandate, as well to start establishing contacts with their Offices ahead of future collaboration.

During the Board Meeting, A.I.S.E. Secretariat presented the main aspects and lessons learned of this Outreach, as well as discussed further A.I.S.E. political advocacy towards EU co-legislators in 2022 in particular with the EP and Member States (Council). The members involved in the preparation and participation were thanked for their support, more work to come in 2022 when relevant legislative proposals are under discussion in the Parliament.

* 1. European Green Deal: CSS
     1. **Commission High Level Round Table** *(J.Robinson/ H.Barker)*

As H. Barker had already left the call, J. Robinson provided some brief impressions from the second Round Table meeting on 25 November (see also [presentation slides](https://aise.wall.idloom.com/#/filelastversion/14522)). The atmosphere in the meeting was mostly positive and open, although an NGO made a late request in the meeting for an addition to the joint report (previously finalised by the ‘Sherpas’) and a quote from the chat was shared with external media. The report on enforcement and compliance was adopted, including its key recommendations which are to be followed up by the Commission for reporting at future Roundtable meetings, and H. Barker intervened to stress our focus on safe products and the need for appropriate metrics and granularity in enforcement.

The third meeting of the Roundtable will take place in May 2022, and in January the Sherpas will begin developing the topic report on the strategic Research & Innovation agenda and the role of Safe and Sustainable by Design. This will be important for a transition pathway that leaves no-one behind (see also 5.5.2 below).

* + 1. **CSS Impact assessment CEFIC** *(Marco Mensink)*

M. Mensink explained the process within CEFIC to issue the CSS IA report for the Chemical industry (undertaken also by Ricardo) incl. the official release on 2 December. (The full CEFIC report can be downloaded using the following link: [Economic-Analysis-of-the-Impacts-of-the-Chemicals-Strategy-for-Sustainability-Phase-1.pdf (cefic.org)](https://cefic.org/app/uploads/2021/12/Economic-Analysis-of-the-Impacts-of-the-Chemicals-Strategy-for-Sustainability-Phase-1.pdf)).  
He said that the process within CEFIC required careful management, as it was feared that any “leaked” partial information could potentially also impact the shareholder values of companies. He emphasised that CEFIC is taking a positive stance on the vision of the Green Deal while demonstrating the huge impact on the industry in a factual way. The aim is to constructively discuss the need for industry of a Commission’s commitment to set out during 2022 a pathway for the transition that is inclusive for all, big and small companies, suppliers and downstream users. A thorough preparation through the network for the day of the release was undertaken to ensure that the main messages are available in all languages for simultaneous use by all CEFIC members. He compared the process to a “symphony” that needed to be well orchestrated to deliver impactfully.  
He referred to the findings of the report and pointed out that Downstream Users (DU) will be heavily impacted such as paints, cosmetics and detergents. He is looking forward to continuing the collaboration with DU during 2022 as to the political outreach, especially to correct erroneous perceptions of the impact.   
He also explained how discussion at the political level on the risk-hazard concept has to be handled, also in the context of vulnerable populations (where a generic, i.e., hazard-based, approach to managing risk is favoured).  
Some Board members confirmed that the detergents will be highly impacted, expecting a figure of about 70% for their business. M. Mensink suggested to illustrate the impact also through examples, describing the importance of the products e.g., in a hospital to disinfect and clean. The concept of regulating by derogation is not the right approach, as it triggers the fundamental discussion about the legislative proposals itself. In addition, it is leading to a regular revision process with uncertainty for a company. CEFIC as industry will assess the feasibility of those proposal.   
When M. Mensink left, J. Robinson explained that the first internal discussion on the A.I.S.E. CSS IA report from Ricardo started actually yesterday. The first step is to assess the figures and factual details without changing messages of Ricardo, as the report (likewise CEFIC) is meant to remain an independent third-party socio-economic assessment. In parallel, the communication and outreach strategy needs also to be developed, learning and building on the CEFIC work.

1. FOR INFORMATION/QUESTIONS ONLY

Due to lack of time only point 6.4, BIT for use as in-can preservative, was highlighted as major achievements through A.I.S.E. and its network had been achieved. Indeed, RAC concluded on a concentration limit for BIT at a level that is a satisfactory outcome for use in detergents as preservatives.

[Refer to pre-readings](https://aise.wall.idloom.com/#/filelastversion/14444)

* 1. Revised A.I.S.E. Workplan 2021-2022 *(S.Zänker*)
  2. Financial situation as at 30/09/2021 *(A.Scheidgen)*
  3. CLP revision update (*C.Chhuon)*
  4. In-can preservatives (BIT) *(E.Cazelle)*
  5. REACH revision update (J. Robinson)
  6. Detergent regulation (*G.Sebastio)*
  7. A.I.S.E. Forum/Charter Symposium (8 Dec, afternoon) *(V.Séjourné/S.Nissen)*

1. BOARD MEETINGS in 2022

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| Wednesday 19 January 2022 | 11:00-12:00 | 1st extra-ordinary call \* |
| **Thursday 10 February 2022** | **10:30-16:00\*\*** | **Brussels (A.I.S.E.)** |
| Thursday 28 April 2022 | 10:30-15:30 | Web conference |
| Tuesday 14 June 2022 | 08:00-10:00 | Brussels (THE HOTEL) |
| Thursday 13 October 2022 | 10:30-15:30 | Webconference |
| Wednesday 7 December 2022 | 09:00-13:00 | Brussels (TBC) |

*\* post meeting note: cancelled*

*\*\* will end at 15:30 if virtual*

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