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| Board meeting 01/2022  |
| MINUTES  | Brussels (Webex)Thursday 10 Feb. 202210:30-15:30 CET  |

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| ***Participants****By phone*Mr Giuseppe ABELLO, Assocasa Ms Heather BARKER, Reckitt Ms Ana-Maria COURAS, A.I.S.D.P.C.L. Ms Virginie D'ENFERT, AfiseMs Helle FABIANSEN, KoHB Ms Ana GASPAR, Colgate Palmolive Mr Ludger GRÜNWALD, Ecolab Mr Charles-François GAUDEFROY, UnilverMr Ad JESPERS, Diversey Ms Sari KARJOMAA, KHMr Thomas KEISER, IKW Mr Philip MALPASS, U.K.C.P.I. Mr Stefan MÜLLER, Dalli-Werke (from 11h)Mr Lorenzo POTECCHI, SC Johnson (from 11h30)Ms Mihaela RABU, RucodemMr Arndt SCHEIDGEN, HENKELMs Françoise VAN TIGGELEN, DeticMs Nadia VIVA, P&G (Chair) | *From A.I.S.E.*Mr Dave HEMINGWAYMr Sascha NISSENMs Jan ROBINSONMs Susanne ZÄNKER*Apologies:*Mr Ismaël DJELASSI, Mondo-Spechim (proxy given to S. Müller)Ms Anna OBORSKA, P.A.C.D.I, (proxy given to M. Rabu) Mr Thomas RAUCH, IHO (Observer) |

1. Welcome and OPENINg

The President, N. Viva opened the meeting by welcoming the participants.

1. Reminder on competition policy

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

1. approval of [agenda](https://aise.wall.idloom.com/#/filelastversion/14810)

The agenda with the changed order as per pre-reading was approved with one additional item under governance, namely an update on the A.I.S.E. Team staff situation.

1. APPROVAL OF MINUTES & REVIEW OF ACTIONS OF LAST MEETINGS: Regular [meeting on 8 december 2021](https://aise.wall.idloom.com/#/filelastversion/14687) and [interim call](https://aise.wall.idloom.com/#/filelastversion/14846) on 19 Jan. 22)

The Minutes from the 8 December 2021 were approved. As to the action point related to the discussion of a consumer climate campaign by A.I.S.E., the SSG was suggesting to continue to use existing material and vehicles (such as the best use tips and Cleanright.eu), but also due to resource issues at A.I.S.E. not to start a consumer campaign at this stage and to keep the focus on the CEAP activities for the time being. This will also cover activities linked to climate change mitigation/carbon foot print (see also below agenda item 5.1).

All other actions have been carried out and/ or will be covered by the agenda items.

The Minutes from the interim call on 19 January 2022 focusing on finances were approved; all points raised have been addressed and will be presented under agenda item 6.

1. FOR DISCUSSION
	1. **Green Deal CEAP activities** – Technical workstreams & advocacy (S.Nissen/D.Hemingway)

The Board were updated on the developments on the EU Green Deal developments related to the CEAP with focus on the green claim substantiation, including an update on the draft advocacy and communications strategy that is being developed by the ASG.

***State of Play***

The Board were informed that the Commission proposal on substantiating green claims is expected on 30 March 2022, and they intend to introduce a coherent EU harmonised method to avoid several different LCA/PEF methods. In addition, the Commission will not force companies to make green claims and whilst the DG ENVI (informally) acknowledges that the PEF methodology has shortcomings and need for improvement, but it is here to stay.

***Advocacy and communications strategy***

The Board were informed that most pre-legislative proposal activities were completed, with some remaining activity on voluntary schemes (soft regulation) meeting Commission and societal needs. The post legislative advocacy strategy is drafted and planning ongoing.

***Technical workstreams***

Following the meeting with DG ENVI end of November 2021 and an assessment of the main learnings, the SSG started to adjust workplans on already initiated and potential new technical workstreams. A detailed overview had been shared as pre-reading. This overview includes the following 5 work streams, which are underway, identifying

- the issue,

- how to address this and

- indicating, where help via staffing and additional budget will be needed:

1) Consumer/End-user faced product comparison/differentiation

2) A.I.S.E. approach for ingredient differentiation (Science-based alternative to USEtox)

3) Deep understanding of values and limitations of USEtox

4) Climate change potential / carbon footprint / de-carbonisation beyond production phase and product standards

5) External stakeholder engagement

Referring also to a set of questions, which the A.I.S.E. team had received from Reckitt prior to the meeting, S. Nissen clarified especially on 2) and 3) that there is no active plan to deploy USEtox; one conclusion of our official PEF pilot was that this method is considered not mature enough to be used as tox method for a PEF based product comparison. Therefore, the SSG recommends continuing with the risk-based ESC improvements and to develop in addition a new, generic approach to risk management (covering Ecotox and Human safety). However, we have to understand the USEtox application field and limitations for our product portfolio and ensure that stakeholders also understand this.

The Board discussed the overview in detail, also considering the activities in the cosmetics sector, and concluded as follows:

* The Board agreed that we need (external) support to carry out the work ahead of us. Therefore, a detailed proposal for staffing and budget will be prepared for approval at an interim Board meeting on 1 April.
* We must not give up on the Charter as this has been the successful flagship initiative of our industry for more than 15 years, proven to be effective to help reduce the footprint of our sector overall, including SMEs. It uses a robust science-based approach, full life cycle assessment, and transparent independent third-party verification.
* Our scheme must work for all product categories, covering both, the homecare and PC&H sectors.
* The cosmetics Eco Beauty Score (EBS) is not a competitor to the Charter; the question was raised why to use this as benchmark for our industry, when the benchmark is PEF.
* However, A.I.S.E. should consider how we can build synergies with the cosmetics sector, especially about their plans to come up with a common database of environmental impacts of standard ingredients and raw materials used in formulas and packaging. To this regard, we should also refer to our approach, i.e., the ESC.
* Climate action is a high priority and should be addressed on shorter term as well, also linked to the workstream 1).
* Scoring: a point was made that stakeholders will continue to request this as enabler of consumer/end-user faced product comparison/differentiation; specific attention should be paid here, especially when it comes to a single score as this will be based on subjective weighting factors and political choices. To this regard, it should also be considered what consumers would expect and what matters to them.

***ACTION:***

***- Prepare a detailed proposal for staffing and budget on technical workstream for approval at interim Board meeting on 1 April. (SSG/ SN)***

* 1. **Chemicals Strategy for Sustainability**
		1. **Ricardo Economic Analysis of Impacts Study** *(*J. Robinson*)*

A.I.S.E. expects to receive the completed Ricardo study report before the end of the current week (*received 10th Feb after the Board meeting*). The consultation on the Mixture Assessment Factor will commence in February and be presented in a separate stand-alone report around the end of March.

The Board discussed the position of the CSS/ZP SG on the extension of the Generic Approach to Risk Management (GRA) (see slides) and agreed that A.I.S.E. should not support this *a priori* (irrespective of impact in practice) on the basis that it is unscientific and ignores the principle of ‘safe use’ on which chemicals regulation is currently founded. It is important to build alliances to convey these messages (see 5.2.2 below); the joint meeting with Cosmetics Europe on 16th February will form part of this, but it should be a priority to align with other formulating sectors in DUCC.

A question was asked about potential impact of the CSS on the Biocidal Products Regulation. Biocides are mentioned only in passing in the CSS, and the BPR will be the subject of a separate re-evaluation and possible revision from 2025. This is taken into account in the work plan of the Biocides WG and was one of the drivers for the strategic assessment project on the BPR.

* + 1. **PA & COM Strategy** (D. Hemingway)

A draft strategy outlining the four workstreams of the Public Affairs & Communications Strategy was presented to the Board (see slides):

* WS1: **Commission Specific Approach** (07.02. – 21.03.2022)
* WS2: **Alliance Building** (07.02.2022 onwards)
* WS3: **Initial Communication** (End Feb/early March)
* WS4: **Integrated advocacy & Comms** (March 22 - 2025+)

The core objective is to highlight the impact of the CSS on our industry with a view to influencing the numerous legislative proposals that form part of the Commission strategy. The full A.I.S.E. Public Affairs & Communications Strategy and Plan, including messaging, channels, etc. will be developed in parallel with the internal analysis.

1. A.I.S.E. GOVERNANCE
	1. **Progress on long-term financial sustainability of A.I.S.E.**

A proposal for the membership fees 2023 was tabled, based on the discussion at the last Board & NAC meetings (see slides).
Focus is on 2023 taking into account the decreased income from 2022 onwards, the call for adequate resources to tackle the Green Deal, the Belgian legal requirement to index salaries, the nearly final figures in 2021 and the reserves (see also agenda item 7.1). It was mentioned that the final figures for 2021, the revised budget for 2022 and the 2023 figures will be available for the April Board meeting for final review and approval incl. the membership fees 2023.

During the discussion it was referred to the operational reserves, which end of 2021 will remain stable and not decrease as foreseen, hence an increase of 4% of the membership seems too much. The budget forecast was versus actual figures was higher, mainly due to the high staff fluctuation and also activities that could not be started due to vacancies, in average over the year 2 missing FTEs. A proposal should be prepared for the next Board meeting, looking at the audited figures 2021, the revised budget 2022 and also the budget for 2023. It was also advised to take into account the activities that could not be carried out, the carries over on projects in which A.I.S.E. is engaged, the reserve to decrease towards the agreed threshold of €600k and the needed balance for the social reserve. And consequently, adjust the membership increase accordingly.
***ACTION:
- Prepare for approval at next Board meeting:***

 ***- audited 2021 figures (with the overview of the operational reserves)***

 ***- the revised 2022 figures (taking also into account the social reserves)***

 ***- the 2023 budget forecast.***

 ***- Membership fees 2023***

* 1. **HR situation at A.I.S.E.**

Currently 2 vacancies are at A.I.S.E., namely one to fill the position of G. Sebastio who will gradually move to DUCC, in addition to other positions that are currently no occupied due to sickness leave or parental leave. One of the vacancies is for a Scientific/ Regulatory Manager to cover mainly Detergents Reg, but also In-door air quality, Enzymes and REACH. The recruitment process is currently on-going.

The other vacancy is in the Communication Team. With the current additional support needed for the upcoming outreach on the Green Deal, and the proposal made at the last Board meeting, to evaluate the needs before hiring a new person, it was decided to work with external support/ consultancy for the coming months. An evaluation of the situation and needs in the communication department will be done towards the end of the year for 2022.

The Board was also informed that currently an external Audit at A.I.S.E. is being carried to gather feedback from the staff (incl. also 3 former staff members) on their about well-being, salaries, training, home-office, structure, relationship, etc. The audit was asked for by the Board, who expressed some worries about the increased fluctuation rate at A.I.S.E. It was also mentioned that in the Brussels arena the changes and recruitment for people be it chemists, advocacy or communication specialist is currently very high and the competition of offers from Commission, companies and other associations very fierce. The Green Deal has triggered the situation. As A.I.S.E. is rather exposed and as a good reputation of people, members of the staff are often approached for offers.
***ACTION:
- Present “well-being audit” of the A.I.S.E. Team to the Board in April (S. Zänker)***

1. FOR INFORMATION/QUESTIONS ONLY

see meeting guide

* 1. **Finances** (A. Scheidgen)
		1. **Estimated financial situation as at 31.12.2021** (see attached excel [sheet “2021 estimated actuals vs budget - overview”)](https://aise.wall.idloom.com/#/filelastversion/14877)

*MAIN BUDGET:*Income in line with budget.
Expenses on main budget have been lower than budgeted, mainly due to:

* High turnover in the staff with some “gaps”, leading also to shifts/delays of some activities (-150K).
* Limited travel, events, meetings… due to COVID crisis (-50K)
* Delayed projects or projects dropped due to staff shortages :
	+ Web-based platforms (line 38) : -50K
	+ Reputation and End-user engagement (line 42-43) : -60K
	+ Product Stewardship and reg. Affairs (line 56): mainly CSS IA Ricardo (60k) & In-vitro (35k) & others: - 170K

This situation results in an excess income over expenditure on main budget of approx. 100K. Carry over is needed to cover the delayed Ricardo study (phase 3) and the delayed in-vitro studies, amounting in total to 95K.

*SEPARATELY FUNDED PROJECTS AND MULTI-STAKEHOLDER PLATFORMS:*All these projects are self-financing.
Projects/budget terminated as of 31/12/2021 : KCFK communications / Insecticides and Repellents / Drain Cleaners.
Charter: Generated slightly more income than expenses in 2021 (+50K).
DETNET : database consolidation could not be implemented due to staff turnover. It will be done in 2022 with the help of an external consultant. Agreement from the Board to inject 150K of DETNET reserve into the main budget in 2023-24-25.

* + 1. **Estimated level of operational reserve as at 31.12.2021**

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|  | TOTAL BUDGET | MAIN BUDGET |
| BUDGETED INCOME | 3,669,000 | 3,086,000 |
| ESTIM. ACTUAL INCOME | 3,631,300 | 3,068,000 |
| ESTIM. ACTUAL EXPENSES | 3,480,000 | 2,966,000 |
| ESTIM. RESULT |  | 102,000 |

**Operational reserves**Estimated total operational reserves as at 31/12/2021 = ca. 1,900,000 EUR

**Outlook :**Items to be reviewed / approved at the April Board meeting :

* Revised 2022 budget in line with the revision of the workplan – for approval
* 2023 membership fees – for approval
* Budget 2023 – for approval
* Budget 2024 outlook– for information
* Evolution of Operational reserve till 31/12/2024
	1. **Biocides - BPR assessment project** : (E. Cazelle)

A.I.S.E. and Biocides for Europe secretariats have developed a factsheets series that present the key messages from the BPR assessment project. These are currently being reviewed by the A.I.S.E. Biocides WG for finalisation and publication by end of February. Consequently A.I.S.E. and Biocides For Europe intend to present the findings of the project at the next Biocides CA meeting (15-16 March). The secretariats will also further discuss about the use of the fact sheets in a broader advocacy context.

* 1. **CSS** (J. Robinson)
		1. **High Level Roundtable**

The Commission has scheduled a ‘breakout’ session on 23 February to discuss follow-up of the joint report on enforcement and compliance, adopted in the second HLRT meeting in November.
DG GROW will share a table of the recommendations and related actions in preparation for this.
The 3rd meeting of the HLRT will take place on 18 May 2022, planned as a physical meeting in Brussels at which the Roundtable member (H. Barker for A.I.S.E.) and one Sherpa (J. Robinson) may participate. The theme of the meeting and its related joint report will be Strategic Research & Innovation Plan/Safe & Sustainable by Design; following a recommendation from the MC that A.I.S.E. should limit its contribution to general principles, the CSS/ZP SG is developing a thought-starter on elements of an ‘innovation-friendly environment’.
A.I.S.E. has given feedback on the list of topics for future meetings, with a preference for either Essential Uses or Digital Opportunities as the theme for the 4th meeting in Q4 2022.

* + 1. **Revision of CLP and REACH**
* **CLP**: following an impact assessment based on a series of CARACAL meetings, an open public consultation and a targeted stakeholder consultation, the Commission will draft a proposal for revision of the regulation, expected in July 2022. The outcomes of the parallel study on label simplification and e-labelling (report due March 2022) will also feed into this impact assessment.
The Commission presented its latest proposal for classification & labelling criteria for endocrine disruption at a CARACAL sub-group meeting on 24 January, including some improvements (e.g., no pictograms). A discussion on CLP scope and exemptions is still anticipated (ad hoc CARACAL meeting was expected in January but still pending).
* **REACH**: several parallel workstreams are in progress, with studies contracted to consultants to support the Commission’s impact assessment for the revision of REACH. Numerous stakeholder workshops and targeted consultations are being held in Q1 2022, and the CSS/ZP SG made a recommendation for priorities for work by the REACH Implementation WG.
In parallel the open public consultation on the revision of REACH opened on 20 January and runs until 15 April. An ad hoc sub-group of the RIWG will start developing a draft A.I.S.E. response for wider review.
	1. **Detergents Regulation** (G. Sebastio)

***Key timings:***

* 15 December – COM Detergent WG
* COM has identified key issues to assess in the revision of the Detergent Regulation
* Consultation expected – February (?) to collect data to quantify the issues
* Following this, Commission will assess policy options to correct the identified problems.
* Another meeting of the Detergent WG will take place in 1ST HALF 2022/ Q2 2022

Some topics that the Commission is considering in the consultation revision are the following, with an outline of the key actions being taken by A.I.S.E.

* + 1. **Key topic: Risk of a ban on phosphorus-based compounds in professional and industrial applications** *(A. O’Kane)*

Following a meeting between A.I.S.E. and the Commission on 9 November, it became clear that as part of the Detergent Regulation review, the Commission’s priority is to reduce the use of phosphates in professional cleaning products, in a similar way that they were restricted in household products in 2014. While the meeting with the Commission was constructive, they have requested data on the size of the market, possible economically viable alternatives to P, examples/ market categories where it is crucial for P to be used, Life Cycle Analysis information. They also asked us to compare the P contribution of our sector now, compared to the sector’s contribution before the P restriction on consumer laundry and ADW.

Despite the Commission’s acknowledgement that our industry is responsible for only 1% of total discharge into the environment, there is an urgency to avoid a blanket ban for the sector. They are open minded to consider options, so ideally, we would come forward with proposals, for example showing the impact of reducing P in certain applications (e.g., difficult to remove tea/coffee stains in catering textiles without P, leading to higher rate of replacement of textiles) and also show how the use of P has been reduced in recent years (due to high cost).  In 2014 when a restriction on P in household products took place, the industry took a proactive stance, showing how a reduction in the use of P was already underway.

A.I.S.E. has distributed a survey to the membership based on the following questions:

1. Estimate if use of P has naturally decreased since 2014 (by looking at total P release, due a.o. to increased price)

2. Identify the environmental, economic etc. burden of using the alternatives to P with specific examples of 1) the consequences of restricting P and 2) the consequences of replacing P with alternatives (examples provided, include others as relevant). Does the potential alternative fulfil the same function as the phosphorus-based compound, from an economic, sustainable and hygienic point of view?

3. In the revision of Detergents Regulation, the Norwegian authorities have proposed the following limits for the use of P in detergents, as part of their comments to the inception impact assessment. Would your company be able to adhere to these proposed P limits?

The deadline for this questionnaire was 21 January and experts of the PC&H sector are busy processing the data and filling data gaps.

* + 1. **Labelling and refill sale**

A.I.S.E. is proud to share that the Detergents WG finalised its guidance and recently published the [revision of the guidance on labelling and refill sale](https://www.aise.eu/cust/documentrequest.aspx?UID=04ca7bf7-8923-408f-b6e5-c60211fd6dd7).

* + 1. **Microbial cleaning products**

A.I.S.E. is working on guidance on this point in a subgroup of experts and is also aligning with the microbial cleaning product TF within the American Cleaning Institute (ACI) on this topic.

* + 1. **Labelling of fragrance allergens**

The proposal of the Cosmetics Regulation to expand the fragrance allergen list is ongoing and will have a direct impact on Detergents. Commission has confirmed they will align to the timing of the Cosmetics Regulation. Thus, once changes come into force for the Cosmetics Regulation, Detergents will be impacted directly with a timing of 3 years for placing on the market and + 2 years for product withdrawal.
A.I.S.E. is following this topic closely, while in parallel work is ongoing for digitalisation.

* + 1. **Labelling of preservatives**

There is an ongoing discussion on labelling of preservatives, and especially the labelling of carry-over preservatives, under the Detergent Regulation.
A.I.S.E. is proposing that carry-over preservatives are labelled based on the most conservative value among the following:

a.  The threshold for EUH208 under CLP for preservatives that are skin sensitizers.

b.  A general fall-back margin for all non-sensitizing preservative set at 100 ppm (this is a conservative value. To be treated as a default and assumes the value for skin sensitizer Cat. 1A, although the ingredient may have no data identifying it as a skin sensitizer).

c. The value below which studies demonstrate that the ingredient no longer has preservation effect on a final formulation (based on literature Minimum Inhibitory Concentration (MIC) values and expert input of A.I.S.E. members).

This proposal was discussed at the Commission Detergent WG on 15 December and member states have until 28 February to comment. The alternative proposal on the table is for all carry over preservatives to be labelled irrespective of concentration.

* 1. **Label simplification & digitalisation** (G.Sebastio/J.Robinson)

A.I.S.E. presented the results of its most recent consumer research at the Commission Detergents WG meeting on 15 December, and also shared these with consultants conducting studies for the Commission. Recently A.I.S.E. has reviewed and commented on a draft questionnaire for a targeted stakeholder consultation, to be launched by VVA on policy options for label simplification and e-labelling.
A.I.S.E. is also developing/refining its response to the open public consultation, which closes on 17 February. Alignment discussions are being held with partner organisations such as IFRA and Cosmetics Europe, and also with external bodies such as IVDK, the network of dermatology departments in German-speaking countries, regarding communication to consumers on allergens in particular.

* 1. **Likochema:** [Report 2d half of 2021](https://aise.wall.idloom.com/#/filelastversion/14733) –(Household Chemicals Sector (I.Joniskiene)

Enclosed the H2 2021 report from the Lithuanian association, linked to A.I.S.E. via a service agreement. The Board raised no question and endorsed therefore the report.

1. Next Meeting DateS

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| Thursday 28 April 2022 | 10:30-15:30 | Web conference |
| Tuesday 14 June 2022 | 08:30-10:30 | Brussels (THE HOTEL) |
| Thursday 13 October 2022 | 10:30-15:30 | Webconference might change to Tuesday 11 October |
|  Wednesday 7 December 2022 | 09:00-13:00 | Brussels (TBC) |

Document name: 2022-02-10 BOARDMinutes A.I.S.E., 22 February 2022