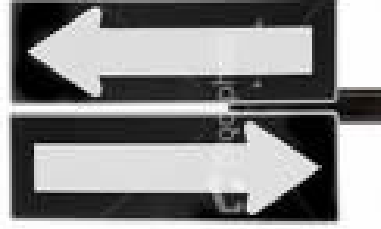




What Actions Should I Take?

**REACH Training Development
Workshop
October 15, 2009**

Implementing **REACH**: What Should We Do First?



- Understand What is Necessary to Comply
- REACH requires a cross-functional effort that should involve, but not be limited to, the following:
 - Purchasing / Supply Chain Management
 - Contracts
 - Engineering & Design
 - Manufacturing
 - Legal
 - ES&H
 - Others as needed
- REACH requires new information to be collected within companies, and to be passed up and down supply chains

Step 1: Awareness and Communication



- Communicate Often (internal & external), as REACH is large and ever-changing
 - Make sure management is aware of REACH
 - Make sure your supply chain is aware of REACH
- Assemble a cross-functional REACH team
 - Cooperation is key to mitigate REACH impacts
- Should be repeating this step periodically to re-assess risks and potential impacts
 - Important due to changing requirements over time

***Brief Management on Impacts of REACH
Communicate Needs to your Suppliers***

Step 2: Identify Resources and Start Planning



- Continue developing your cross functional team
- Conduct a risk assessment. Ask questions to determine whether your company:



Purchases chemicals or articles from the EU

Sell substances, preparations, or articles to the EU

Sell articles to a company not in the EU that will later sell a higher assembly product to the EU

- If the risk is not internal, determine if external forces (e.g. supply chain) put your company at risk
 - Find out what your suppliers are doing to mitigate their risk
 - Do they have a long term strategy?

Step 3: Get the Facts – and Get them Organized



- Understand Your Role & Obligations in Complying to REACH
- Compile a list of all the materials used by your business, if you do not already have a list.
- Find out...
 - The materials within products you buy that are incorporated into your articles / preparations sold to EU directly (or to EU through another company)
 - Where and who you buy them from (is it from an EU-based supplier?)
 - How much is sent to the EU per year?
 - The weight of your product



Step 3 Continued: Get the Facts on Your Imports and Exports



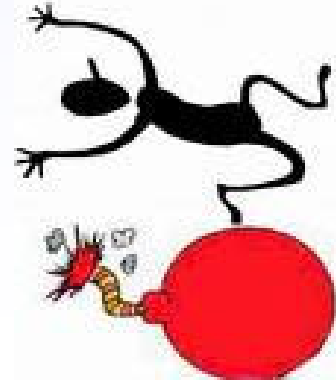
- Things to Consider:
 - Your Exports to the EU
 - Does your customer understand their obligations in REACH?
 - Do you intend to supply the information they need?
 - Do you intend to withdraw from EU sales?



Your Imports from the EU

- Verify that the supply chain will meet their obligations for Registration
- Verify that the supply chain will not be adversely impacted by Authorization or Restriction
 - And be sure they have a mitigation plan in place if so

Step 3 Continued: Get the Facts on What is In What You Use



- Include on your list...
 - The substances in each of the materials (EINECs/ELINCS/CAS numbers)
 - Are the substances vital to your product or to a manufacturing process?
 - If so, is it supplier-specific?
 - For each Tradename / specification / constituent inside the preparation...
 - Is it on the Registry of Intentions or Candidate List for possible addition to Annex XIV or XVII for Authorization or Restriction (respectively)?
 - Substances with these classifications may require a gradual phase out under REACH

Step 4: Determine what has been Pre-Registered



- For All Substances EXPORTED to the EU, determine:
 - Already (Pre-)Registered by Supplier / Only Representative
 - Must be (Pre-)Registered for your use of the substance
 - And should be pre-registered for your downstream user's uses as well
 - Yearly Quantity
 - Availability from EU Suppliers
- If the substance is strategically vital and your supplier will not guarantee to register, you may choose to either:
 - Find a supplier who will do it for you
 - Must register the substance for the same use as you
 - Register it yourself to minimize your business risk
 - Find an alternate substance

Step 5: Substance Declaration Standard



- **Why:** Data is required so customers can assess if they need to pre-register, comply with Communication and/or Notification requirements, and/or monitor SVHC types and amounts to deal with Authorizations and Restrictions
- Many companies in the aerospace industry will utilize the substance declaration standard
 - Customers may have their own Material Declaration Form
 - A sample of the form is on the next page
- If you do not export to the EU yourself, but a sub-tier supplier does, you will be asked to provide chemical data, including type and amount

The data may be hard to gather, but is required for exports to the EU (Importer required to comply, but requires information from Exporter)

Step 5: Substance Declaration Standard Form





1. Requestor Item #	2. Supplier Item #	3. Supplier Item Name	
0	0	0	
4. Prepared By: *	4a. Preparer's Title	4b. Preparer's Phone*	4c. Preparer's Email*
5. Weight of Item, as Delivered, excludes packaging (Actual weight, not shipping weight -)*	5a. Unit (Drop Down (Lbs / Kg)		
<input type="checkbox"/> Item DOES NOT contain any chemicals listed below in amounts \geq 0.1% Wt %. Review all the substances found in the Item referenced in this request, and compare them to the CAS #s listed on Tab 5 - TR 9536. Choose the Checked box if this statement is true (Check Box). If this statement is TRUE, there is no need to complete the list on Tab 5 - TR 9536 Detailed List			
	Check box to the left if statement above is true		
<input type="checkbox"/> Item DOES contain chemical(s) listed below in amounts \geq 0.1% Wt %. Review all the substances in the Item referenced in this request, and compare them to the CAS #s listed on Tab 5 - TR 9536. Choose the Checked box if this statement is true (Check Box). If this statement is TRUE, then Tab 5 - TR 9536 Detailed List, must be completed			
	Check box to the left if statement above is true		

Note: Additional requests for information to your suppliers of chemicals beyond MSDS data may be required to accurately complete this Substance Declaration. Not all substances will be identified on an MSDS. Also, proprietary constituents and % composition ranges listed in an MSDS may not be accurate enough for this declaration. We recommend using this same standard format for those requests down your supply chain.



Step 6: SVHCs in Imports from or Exports to EU



-  Check the uses you have for each SVHC (in priority order):
 - Are any of these substances ‘strategically important?’ (your product is not viable without them)
-  Would you have issues with customers, suppliers, and/or employees if you replaced the substance?
- Are there suitable alternatives available?
 - If so, develop a program of change based on the priority setting considering ESH impacts and requirements from state and federal law, and other jurisdictions
 - Of particular importance since SVHCs may require Authorization in the future (or be Restricted altogether)

Step 7: SVHCs in Articles



-  You may buy articles and incorporate them in your product and you might make articles
- Both could have SVHCs:
 -  Identify how much of which SVHC is in article(s) you buy
 - Determine if what you sell has > 0.1% weight by weight in your product, which would subject your product to additional requirements
 - Determine if your EU customer or “Only Representative” needs to Communicate to consumers, or Notify ECHA or downstream users
 - Determine if the SVHC is on (or proposed for addition to) the Annex XIV list for Authorization

Step 8: Planning for Authorization & Restriction



- Monitor Registry of Intentions & Candidate List for substances you use
 - Registry of Intentions has proposed Candidate List & Annex XVII additions
 - Candidate List drives Communication requirements and future additions to the Authorization List (Annex XIV)
- Where you have identified a substance from the Candidate List or Annex XIV / XVII that cannot be easily removed from your product:
 - Contact others in industry in the same situation
 - Contact EU industrial customers about issue & suppliers about future plans
 - Start looking into alternatives (align R&D programs)
- Determine whether the substance must be removed & act accordingly
 - For Annex XIV, you may be exempt if only importing an article into the EU
 - Otherwise, weigh costs of Authorization (and prospects of it being approved) versus finding an alternative substance to use in its place
 - For Annex XVII, you must remove the substance, regardless of cost

In Summary



- REACH is in effect – do not delay compliance!
- There is much to do, within your company and within the supply chain, in a fairly short time frame
- A mass of information must flow up and down supply chains for REACH
- Communication is never-ending (Customers, Suppliers, Programs, etc)
 - The Legislation has evolved since its inception, and will continue to evolve
- We are collaborating and intend to help our industry and our supply chain deal with REACH as cost-effectively as possible
- If you supply to the Aerospace industry, expect to see contract changes, requests for information (i.e. substance declaration forms), and continued REACH workshops to provide updates and guidance on REACH

***REACH Requirements are in Effect
Your Compliance Process Should be in Effect Too!***

Questions

