

Cologne, 25 August 2020

The SCIP Database is due to be launched in accordance with the European Waste Framework Directive on 5 January 2021 for all producers and distributors in the supply chain. The information required there regarding substances of very high concern (SVHC) in articles goes beyond the legal framework and offers no foreseeable benefit for humans or the environment.

Our producers and manufacturers of hard goods feel obligated to avoid hazardous substances in their products as far as possible and to always develop their products in accordance with the principle of a sustainable, closed-loop economy – thereby protecting the environment and conserving resources. To this end, the exchange of information in the value chain is also indispensable (Art. 33 [1] REACH), if it promotes these objectives and thus leads to improvements for both humankind and the environment.

Hard goods are “simple” and complex products with a high vertical range of manufacturing. The supply chains for production and procurement are often global and usually also complex. The flow of information on material data is already a challenge when it comes to providing the information relevant under REACH Article 33 in global supply chains.

- The current information requirements for the SCIP Database exceed the legal obligations of REACH and significantly increase the complexity (and associated effort) of information procurement for our companies. Therefore, only the information required by REACH Article 33 (1) should be subject to a mandatory request by the European Chemicals Agency (ECHA).
- Moreover, the inclusion of a complex SCIP Database in the Waste Framework Directive has not been subject to prior consultation, feasibility study or impact assessment. The EU approach is, therefore, not in line with the principles of effective legislation.
- The database is still under development and its release is planned for the end of October. This date is not compatible with the time needed for our companies to develop and modify IT systems and plan the corresponding investments.
- It is highly doubtful as to whether a SCIP Database will enable waste treatment companies to remove substances of very high concern (SVHC) from the substance cycle in a targeted way. Detailed information on the smallest sub-articles is not very helpful for recycling companies because waste treatment is not regularly carried out at sub-article or article level and, therefore, the SVHC cannot be identified and separated by existing waste management treatment processes.
- In addition, the Waste Framework Directive provides for consumers to have access to the Database upon request. The question of legal compatibility with REACH is not sufficiently clarified, given that Article 33 (2) of REACH requires

any supplier of an article containing an SVHC to provide sufficient information to consumers on request. In particular, the question is, therefore, open as to whether this obligation to inform the consumer is already fulfilled in any case when the data is stored in the SCIP Database with reference to it.

- The protection of European intellectual property rights relating to confidential commercial information on products is crucial for the competitiveness of European businesses. Fair competition and a level playing field between EU manufactured and imported products must be ensured. However, the SCIP Database lacks a sound security concept to protect company data against supply chain disclosure or identity theft.
- It is important to avoid imposing different obligations on manufacturers depending on the European Member State where their products are placed on the market. Any divergence in the implementation of information obligations between Member States would not lead to a level playing field. Implementation of the Waste Framework Directive must be more harmonised and take place within a tight statutory framework.
- It should also be noted that it is not only in the hard goods sector that an identical product is usually marketed under a variety of brand names and product descriptions. As things stand today, changes in the composition of this product would have to be maintained separately for each of these brand names and product designations, which would further inflate what has already become a high level of effort and expenditure. The SCIP Database should, therefore, provide the optional possibility of referencing the data set of the original product. This also applies to product families that differ only in size, colour etc., but not in their composition.
- The database format for uploading information should be as transparent and SME-friendly as possible.

The implementation of the SCIP Database in its current design will represent an extreme economic burden for our companies. The current economic crisis caused by the Covid-19 pandemic has imposed very serious budgetary and resource constraints on our companies. It, therefore, seems disproportionate in such economically challenging times to impose additional requirements through European waste policy on all affected economic operators when the benefits for humans and the environment are expected to be very limited.

We, therefore, call on the European Commission to subject the SCIP Database to a comprehensive impact assessment and to suspend information notifications to the SCIP Database until further notice.

Arbeitsgemeinschaft Hartwarenhersteller (AGHH) is a joint initiative of the associations Verbände Fachverband Schloss- und Beschlagindustrie e. V. (Velbert), Fachverband Werkzeugindustrie e. V. (Remscheid), Herstellerverband Haus & Garten e.V. (Cologne) und Verband Deutscher Schleifmittelwerke e.V. (Bonn).

We bundle the interests and goals of hard goods manufacturers and represent them as a competent partner vis-a-vis politics, the economy and society.