

Non-road mobile machinery comments on the SCIP database of articles containing Candidate List substances in view of the Waste and CARACAL Expert Groups meeting on 9th of July

In view of the upcoming Waste and CARACAL Expert Groups meeting scheduled for 9th July, our associations representing the EU non-road mobile machinery (NRMM) industry, would like to share our views regarding the **appropriate level of reporting data** and **dissemination of information** within the SCIP database.

We would also like to use the opportunity of this letter to recall our concerns on the scope of the requirements and the timeline for the implementation of the database.

1. Need for an appropriate level of reporting

ECHA is asking Member States to provide their views, ideally accompanied by concrete examples, on what is “the appropriate level of reporting data to the SCIP database”. This means, how to deal with the inherent difficulty of reporting data for complex products.

ECHA acknowledges in its document that *“for highly complex products, the number of possible combinations could be enormous, e.g. due to a large number of options and variations within the same product, multi-sourcing of equivalent components by industry or different compositions in different batches of the same product. This could eventually even lead to a need to report every individual portable computer placed on the EU market, e.g. at the serial number level.”*¹

This complexity is particularly true for the manufacturers of non-road mobile machinery industry. We believe two reporting options should be prioritised:

- Notification at machine model level; and,
- Referencing systems.

Such solutions are described in points 1.1 and 1.2 below. Additionally, in point 2, we underline the urgent need to address the protection of confidential information within any reporting solution proposed for the database.

1.1 Notifications at the machine model level

NRMM manufacturers have broad model ranges that may extend to thousands of types of products, including customised ones. Products are often developed based on a **standard (basic) model** which can then be configured according to application, customer preference in terms of colour, attachments or regional variation with additional equipment or features, etc. These final specifications will share many of the overall properties and materials of the standard model.

Due to a large variety of specification options available for our complex products, and to avoid excessive duplication of nearly identical submissions **we request the possibility to submit information of complex objects on a model basis**. This would entail submitting information in one single SCIP notification where the manufacturer can report the possibility of ALL possible combinations on the machine at the time of production.

¹ ECHA. “Update on the SCIP database of articles containing Candidate List substances.” 16 April 2020. Page 6.

Please consider examples in Annex I for the notification at model level.

The most recent ECHA document² introduces a new proposal for a potential grouping of products. Manufacturers of what ECHA describes as “quasi-identical complex objects” (that is, complex objects having the same “model” – for example, “Smartphone 10” – but different combination of components and SVHC) should group their SCIP notifications based on “sets” of articles, within the same “model” sharing the exact same combination of components and SVHC.

For sectors producing highly customized complex objects like the NRMM sector, this grouping by ‘sets’ option would imply an additional step of product’s categorisation with unjustified increase of costs and administrative burden. Indeed, with the number of permutations possible, matching quasi identical products would be extremely time consuming and of little discernible difference to individually entering dossiers based on serial number.

ECHA acknowledges that for “certain very complex objects, with many components and subcomponents incorporating articles with Candidate List Substances, this recommended approach would lead to a single product unit level/serial number level reporting”. This creates an unmanageable amount of data for both SCIP database and duty holders.

For this reason, we request that, for complex objects, the option of SCIP notification at **model level** is further explored by ECHA during the current database development process.

1.2 Referencing system

ECHA proposes a “referencing” system allowing a company to refer to articles already notified by its suppliers when incorporating them into complex products.

Without the possibility to reference information, the manufacturer of a complex article would need to submit for every article the detailed information on material and chemical content received from their suppliers. This results in an unnecessary duplication of the information already provided by the suppliers to the database.

Moreover, the referencing option would contribute to maintaining the information on complex articles as this is submitted and updated directly by suppliers who have detailed and the most accurate knowledge about the product. This will also facilitate the work of waste management companies as it avoids contradicting information from different sources submitted for the same article. Therefore, **we support the option of referencing** that would considerably reduce the workload for manufacturers when submitting and updating information.

1.3 Foreign user

ECHA proposes the possibility to duty holders adding a ‘foreign user’ to their accounts to submit data to the SCIP database. It allows third parties to submit data on behalf of the duty holder on a voluntary or contractual basis, under the legal responsibility of the company concerned.

We welcome this possibility; however, it is of outmost importance that the access rights in the SCIP database for a foreign user can be controlled by the duty holder, therefore sensitive data is kept confidential since a duty holder may engage a multitude of suppliers as foreign users.

We look forward to further discuss how this can be implemented by ECHA.

² ECHA. “Update on the SCIP database development and possible challenges and recommended solutions related to the implementation of the SCIP reporting duties.” 25 June 2020. Page 8.

2. External dissemination of database information and protection of confidential information

There is not yet sufficient legal clarity for Duty Holders who upload information onto the database on how European laws will protect their confidential business information, Intellectual Property and Trade Secrets when the information is disseminated to waste operators or consumers.

Manufacturers must be confident that the following points are not disclosed:

- Confidential business information such as sales and production volumes
- Intellectual Property such as the design of the machine or chemical composition.
- Trade Secrets such as links between supply chain actors

This needs to be urgently clarified **before** Duty Holders are obliged to submit information, taking into account the fact that the process of uploading information will need to begin well before the 5th January in order to comply with the current deadline, and before any dissemination takes place.

Moreover, before any dissemination of data held in the SCIP database is defined by ECHA, it must be discussed not only with waste operators and consumers but also with the Duty Holders providing the information.

3. Additional NRMM sector's concerns

In addition to the above concerns, we would like to highlight a series of other concerns that our sector has on the SCIP database, which we have raised in previous communications to the European Commission, ECHA and Member States:

3.1 Information requirements must be limited to REACH Article 33.1

Information requirements of the SCIP database **must be limited to the REACH Article 33.1** requirements, that is:

- the name of the supplied article or complex object;
- the name of the Candidate List Substance present in a concentration above 0,1% weight by weight; and
- additional information on safe use when considered relevant by the supplier.

All other information requirements should be made optional - see in Annex II which compares the mandatory requirements of SCIP vs REACH Article 33.1.

Of most concern, the current ECHA proposal requests **a mandatory identification** of articles using the TARIC code on all article levels. However, most subcomponent levels of a complex article are never intended to be placed on any market by themselves. Therefore, the manpower required to assign TARIC codes to hundreds of thousands or possibly millions of article part numbers is unnecessary and costly.

3.2 Urgent need for an impact assessment to determine the workability, proportionality and benefits of the database.

The SCIP database is going to have a tremendous impact on our industry, that was not considered in the initial proposal that accompanied the review of the Waste Framework Directive (WFD). On this basis, we believe the European Commission must perform an impact assessment of Article 9 of the WFD to ensure that the implementation of the database will be workable, proportionate and itemise the benefits (societal and financial) in its contribution to a Circular Economy. All information requirements going beyond REACH Article 33.1 requirements can only be accepted if they are supported by an impact assessment and by evidence that

such additional information requirements contribute to improved recycling and purer secondary raw materials. Such an assessment has not been performed so far.

3.3 Timeline and COVID-19

We kindly request to postpone the 5th January 2021 deadline by a minimum of one year.

The Article 9.2 of the revised WFD foresees the SCIP database to be available by 5 January 2020. As from the date of this letter, this condition has not been fulfilled and we are only 6-months away from the notification deadline. The SCIP database is still under development and ECHA is still working with stakeholders to answer technical questions, provide clarifications about the data requirements, and modifying database features. Some crucial elements as discussed in this document remain unclear.

ECHA's latest timeline anticipates the database's formal release in October 2020, leaving a narrow window of time prior to the implementation deadline for industry to validate and input final data. Therefore, industry cannot fully start with the required large-scale IT tests and implementation.

Furthermore, the COVID-19 pandemic has dramatically disrupted our complex supply chains. Our companies have to a large extent slowed down, if not shut down, their operations for several weeks. Despite the fact that some activities have restarted, for many companies, this will not happen at full capacity and there is still uncertainty for the near future. Many of our member companies' employees and their suppliers are on temporary short-working conditions.

Concretely, as far as the SCIP database obligations are concerned, this means that:

- Due to the heavy disruptions impacting the whole European and global supply chains our member companies will not be able to collect the relevant information needed from their suppliers.
- Our member companies will not have the human or financial resources to set the IT infrastructure and run the IT tests needed to comply with the SCIP requirements, nor can their experts carefully monitor and assess the various steps of the IT development of the database by ECHA.
- Companies will be unable to upload the data by the deadline required in the Directive.

3.4 Member States alignment

A unified approach from the different Member States interpreting the SCIP database requirements should be guaranteed. Any deviations from Member State to Member State would create a high level of uncertainty for our industries.

Our members support ambitious European environmental, health and safety legislation. To be successful, it is important to have a common understanding amongst the different stakeholders on the interpretation of the requirements.

Our industries, which include numerous SME's, are committed to help on the development of a workable database. We therefore request that Member States consider the above concerns and share them with the relevant Commission Expert Groups prior to the CARACAL meeting.

Annex I

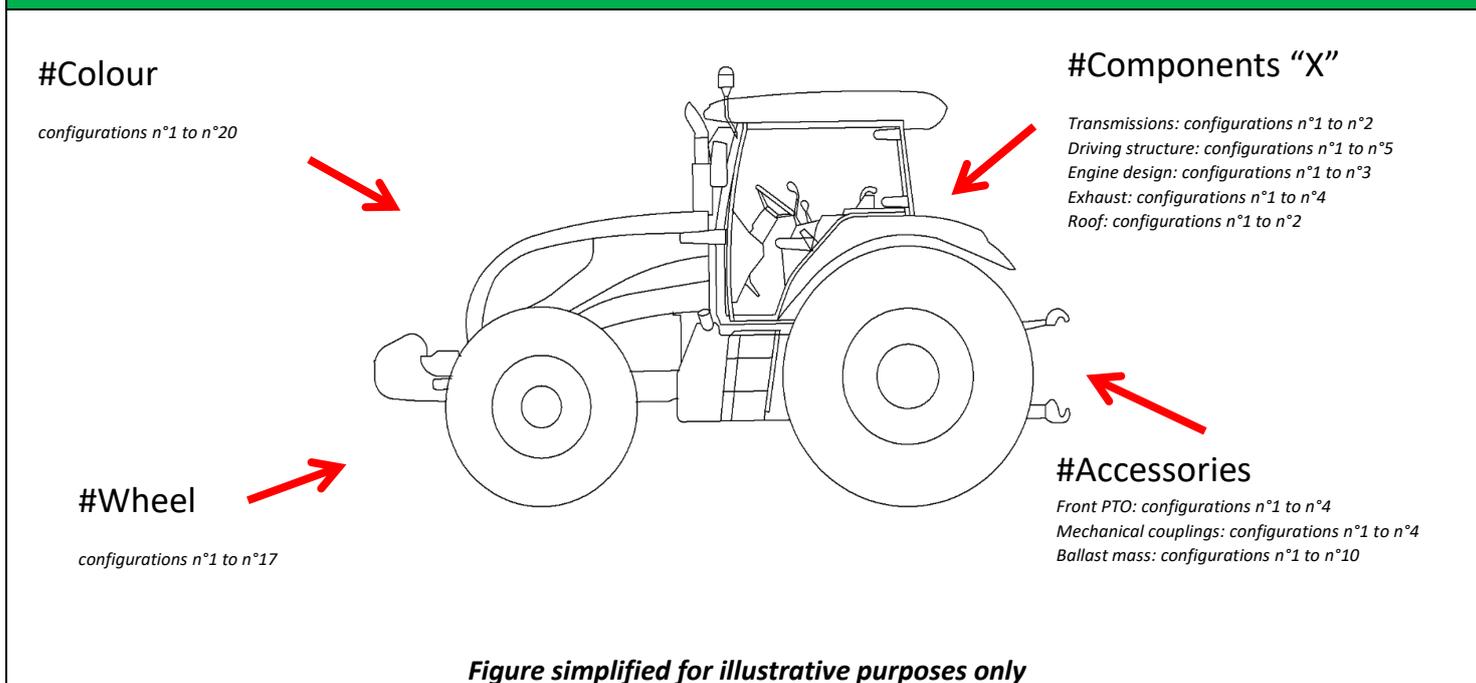
Example 1

CEMA proposal for a Notification at model level for a Tractor

	Notifications without grouping flexibility	Aggregated level of notifications (supported by CEMA)
Name of Manufacturer	Company 1	Company 1
Family of product	Tractor	Tractor
Standard (basic) model	Model 1, Model 2, Model 3, ..., Model n without any configuration grouping	Model 1, Model 2 taking into configuration grouping
Customised configurations Creates between 100 to 1000 configurations	<u>Components (tractor structure):</u> Transmission: 5 different configurations Driving structure: cab, platform: 6 different configurations Engine design: 3 different configurations Exhaust: 5 different configurations Roof: 4 different configurations ...	<u>Components (tractor structure):</u> Transmission: 5 different configurations Driving structure: cab, platform: 6 different configurations Engine design: 3 different configurations Exhaust: 5 different configurations Roof: 4 different configurations ...
	<u>Accessories (tractor options):</u> Mechanical coupling: 10 different configurations Front PTO: 4 different configurations Ballast mass: 10 different configurations ...	<u>Accessories (tractor options):</u> Mechanical coupling: 10 different configurations Front PTO: 4 different configurations Ballast mass: 10 different configurations ...
	<u>Colour:</u> 1 to 20 configurations	<u>Colour:</u> 1 to 20 configurations
	<u>Wheels:</u> 1 to 30 configurations	<u>Wheels:</u> 1 to 30 configurations
Number of articles composing the tractor	2000 to 5000 articles	2000 to 5000 articles
List of SVHC in Candidate List with more of 0,1% w/w	<u>Model 1:</u> Transmission: configuration n°1 Driving structure: configuration n°1 Engine design: configuration n°1 Exhaust: configuration n°1 Roof: configuration n°1 Mechanical coupling: configuration n°1 Front PTO: configuration n°1 Ballast mass: configuration n°1 Colour: configuration n°1 Wheels: configuration n°1 ... <u>Model 2:</u> Transmission: configuration n°2 Driving structure: configuration n°1 Engine design: configuration n°1 Exhaust: configuration n°1 Roof: configuration n°1 Mechanical coupling: configuration n°1 Front PTO: configuration n°1 Ballast mass: configuration n°1	<u>Model 1:</u> Transmission: configurations n°1 to n°2 Driving structure: configurations n°1 to n°5 Engine design: configurations n°1 to n°3 Exhaust: configurations n°1 to n°4 Roof: configurations n°1 to n°2 Mechanical coupling: configurations n°1 to n°4 Front PTO: configurations n°1 to n°4 Ballast mass: configurations n°1 to n°10 Colour: configurations n°1 to n°20 Wheels: configurations n°1 to n°17 ... <u>Model 2:</u> Transmission: configurations n°3 to n°5 Driving structure: configuration n°6 Engine design: configurations n°1 to n°3 Exhaust: configurations n°5 Roof: configurations n°3 to n°4

	<p>Colour: configuration n°1 Wheels: configuration n°1 ... <u>Model n:</u> Transmission: configuration n°5 Driving structure: configuration n°6 Engine design: configuration n°3 Exhaust: configuration n°5 Roof: configuration n°4 Mechanical coupling: configuration n°10 Front PTO: configuration n°4 Ballast mass: configuration n°10 Colour: configuration n°20 Wheels: configuration n°30 ...</p>	<p>Mechanical coupling: configurations n°5 to n°10 Front PTO: configurations n°1 to n°4 Ballast mass: configurations n°1 to n°10 Colour: configurations n°1 to n°20 Wheels: configurations n°18 to n°30 ...</p>
List of notifications to be submitted	10? 100? 500?	2

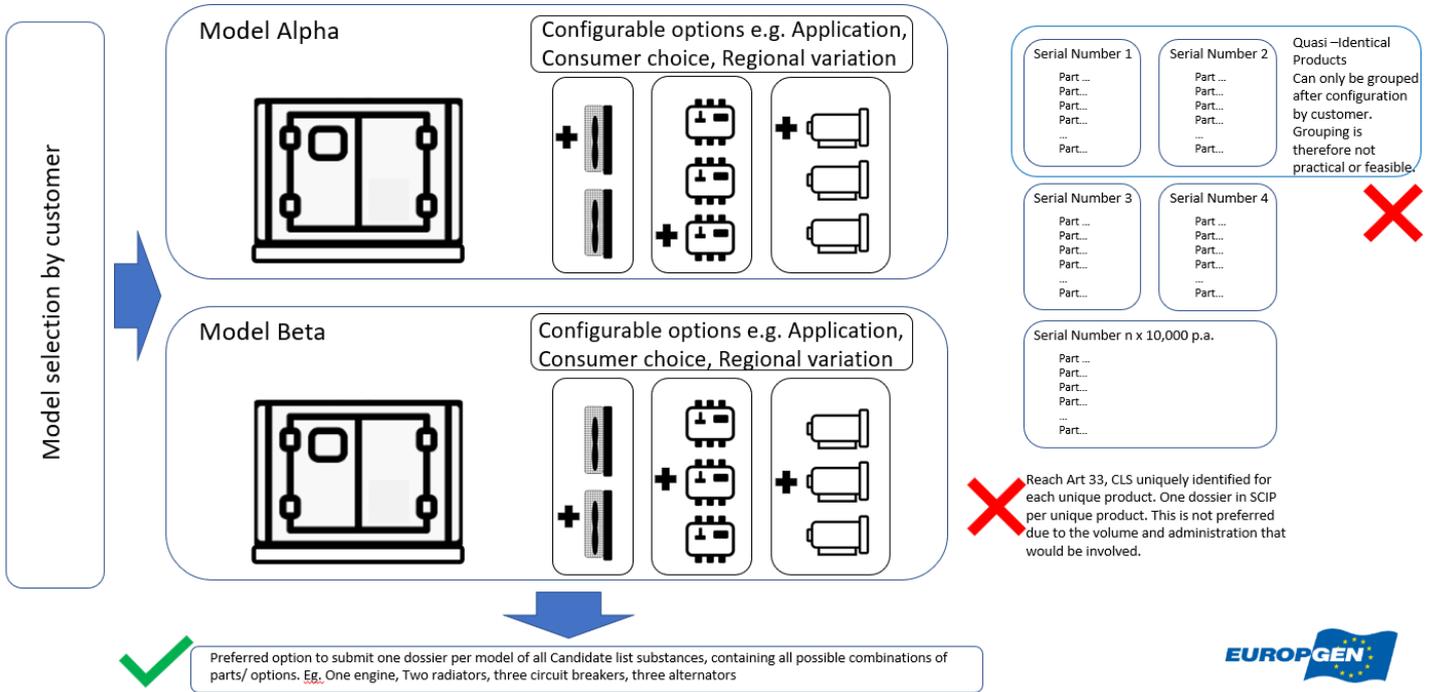
In the figure below, examples of article with SVHC in Candidate List with more of 0,1% w/w (Model 1 taking into account configuration grouping)



Considering the high number of articles composing a tractor, the possibility of grouping configurations for the manufacturer would significantly simplify the number of notifications while providing the necessary information to the user and waste operators.

Example 2

EUROGEN Proposal for submitting SCIP dossier in a Model concept



Annex II

SCIP database information requirements vs. legal requirements in REACH

SCIP information requirement	Mandatory (M) / Optional (O) / REQUIRED (R)*	REACH Article 33.1 obligations
Information on articles		
Article name	M	M
Other names	O	Not required
Primary Article Identifier	M	Not required
Other Article Identifiers	O	Not required
Article category	M	Not required
Production in EU	R	Not required
Picture	O	Not required
Characteristic type	O	Not required
Characteristic value	O	Not required
Unit	O	Not required
Safe use instructions	R	Required when relevant
Disassembling instructions	O	Not required
Complex object component		
Linked article	M	Not required
Number of units	O	Not required
Information on concern element and substance		
Candidate list version	O	Not required
Candidate list substance	M	M
EC Number	O	Not required
CAS number	O	Not required
Concentration range	R	Not required
Material category	M	Not required
Mixture category	M	Not required

*Mandatory - no data will fail submission; Required - input needed for successful submission, but can be fulfilled without meaningful data when data unavailable; Optional



ABOUT US

CECE

CECE, the Committee for European Construction Equipment, represents the interests of 1,200 construction equipment manufacturers through national trade associations in 13 European countries: Germany, the UK, France, Italy, Spain, Czech Republic, Sweden, Finland, The Netherlands, Belgium, Austria, Russia and Turkey. CECE manufacturers generate € 40 billion in yearly revenue, export a sizeable part of the production, employ around 300.000 people overall. They invest and innovate continuously to deliver equipment with highest productivity and lowest environmental impact. Efficiency, safety and high-precision technologies are key.

Contact: *Riccardo Viaggi, Secretary General, riccardo.viaggi@cece.eu, www.cece.eu*

CEMA

CEMA is the European association representing the agricultural machinery industry. For 50 years CEMA has acted as a network of national associations and provides services, advice and a common European industry view on relevant topics. The industry represented by CEMA includes 4,500 manufacturers of agricultural equipment employing directly 135,000 persons and indirectly in the distribution and service network another 125,000 persons. The companies are mainly small and medium-sized manufacturers according to the EU definition and they have a total turnover of 26 billion euro.

Contact: *Jérôme Bandy, Secretary General, sg@cema-agri.org, www.cema-agri.org*

EGMF

The European Garden Machinery Industry Federation – EGMF – has been the voice of the entire garden machinery industry in Europe since 1977. With 30 European corporate members and 7 National Associations representing manufacturers of garden, landscaping, forestry and turf maintenance equipment, EGMF has the most powerful network in this sector in Europe.

Contact: *Anne Claire Rasselet, Secretary General, secgen@egmf.org, www.egmf.org*

EUUnited Sectors - CLEANING & MUNICIPAL EQUIPMENT

The members of EUUnited Cleaning are the major European manufacturers of cleaning systems for commercial and industrial use. The manufacturers offer high-tech solutions for floor and high pressure cleaning.

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The EUUnited Municipal Equipment sector represents the leading manufacturers of mobile machines used in municipalities and other public areas. We are the largest European network and service provider for the sector.

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EUROMOT

Established in 1991, EUROMOT is the European Association of Internal Combustion Engine Manufacturers. EUROMOT membership includes all major manufacturers of internal combustion (IC) engines in Europe and the World, spark ignition and compression ignition, representing 85% of the EU market. The EUROMOT members employ approximately 200,000 highly skilled people worldwide. The European market turnover for the business represented exceeds 25 billion Euros.

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EUROPGEN

Established circa 1987 is the European Association for the Generating set industry within Europe. Its aim is to advise all its members of the new directives and information within this industry and promote unity.

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FEM

Created in 1953, the European Materials Handling Federation represents, defends and promotes European manufacturers of materials handling, lifting and storage equipment. FEM speaks for 15 members representing some 1,000 companies (mostly SMEs) employing 160,000 people directly and with an annual turnover of more than €50 billion.

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