



# The Impact of Brexit on REACH

CTPA Brexit Factsheet



8 January 2019

## The Impact of Brexit on REACH for the Cosmetics Industry

REACH, the European Union Regulation for the Registration, Evaluation, Authorisation and Restriction of Chemicals (thereafter EU REACH), entered into force in Europe on 1 June 2007. This EU Regulation requires the registration of all chemicals manufactured or imported into the EU above 1 tonne per year per legal entity and evaluation of the registration dossier by the European Chemicals Agency (ECHA). The final date for the transitional agreement of phase-in substances under EU REACH was 31 May 2018. New substances now have to be fully registered before manufacture or import activities begin in the EU in quantities over 1 tonne per year and per legal entity. Finished cosmetic products are exempt from EU REACH, but cosmetic ingredients are subject to EU REACH provisions.

CTPA members can find further information on the EU REACH registration process on the CTPA members' only website in the [REACH Reference zone](#).

After Brexit, the UK will become a third country and will not be part of the EU; as a consequence, EU law will cease to apply in the UK. Two scenarios can develop depending on whether the UK leaves the EU with or without a deal.

Brexit Deal	Brexit 'No deal'
UK leaves the EU on 29 March 2019, but status quo for businesses until 31 December 2020 (transition period)	UK leaves the EU on 29 March 2019 (no transition period)
Cooperation between UK and EU Agencies (such as ECHA)	'No deal' plan, implementation of UK REACH

### 'No deal' Brexit impact on EU REACH

#### UK-based REACH registrant

- Registrations of UK entities will become void. Registrations will therefore need to be transferred to an EU27 subsidiary or Only Representative (OR) before Exit day. If the registrations are transferred to an EU27 OR, the contractual agreement should be put in place before Exit day with the suspensive conditional clause stipulating that the appointment takes place after Exit day.
- UK ORs currently representing companies based in non-EU countries will not be able to continue to operate under EU REACH. The non-EU based company will have to appoint an OR in one of the EU27 Member States and transfer the registration.

- REACH-IT accounts of UK entities will be deactivated. The UK entity will not have access to its registrations post Brexit, the transfer must therefore be done before Exit day.

#### *Lead Registrant*

- The UK-based lead registrants of a Substance Information Exchange Forum (SIEF) must transfer the role of the lead to an EU-based company before Exit day.
- If the UK-based lead registrant does not wish to remain on the EU/EEA market and thus does not take the necessary actions, the members of the SIEF must agree on a new lead. The lead role can be taken by any member of the joint submission.

#### *SIEF Data Sharing*

- If a UK entity is part of a SIEF, it is possible that the shared data could no longer be used by the UK entity or the SIEF directly for the purpose of an EU REACH registration or non-EU REACH regulations (this depends on the SIEF contract).

The SIEF and the UK entity can lose this data, unless

- there is a clause in the SIEF's contract that allows sharing of the data with legal entities outside of the EU; or
- there is a clause in the SIEF's contract that allows transfer of the data provided by the UK entity to an EU subsidiary or OR (the registration dossier will have to be updated to include the details of the new legal entity owning the data).

### **Downstream Users and Distributors**

- Some EU companies may have registration obligations of certain substances, due to import of higher quantities of substances.
- EU companies buying substances on their own or in mixtures from UK registration holders will become importers and will therefore have registration obligations (unless the UK company has appointed an EU27 OR).
  - If the UK supplier buys the substance from an EU-based supplier who is the registration holder, importers can take advantage of the re-import exemption. However, they will need to hold relevant documentation.
  - By removing the UK from the tonnage calculation, the 1 tonne threshold for registration obligations may no longer be reached. It is important to keep in mind that the 1 tonne threshold exemption applies per legal entity, per year.

It is important to identify from the supply chain which substances will be impacted and prepare a contingency plan.

More information can be found on the ECHA website [Brexite page](#) and [Brexite news](#).

### **'No deal' Brexit UK REACH plan**

- EU REACH will be transposed into UK law, creating a UK REACH Regulation (thereafter UK REACH).
- UK downstream users sourcing substances or mixtures from EU companies will become importers and may have registration obligations under UK REACH, if they import a substance over 1 tonne per year on its own or in a mixture.

- UK-based registration holders of EU REACH wanting to continue to market the substance in the UK, will have to do a pre-registration with the submission of preliminary information via the UK REACH-IT system within 60 days from Exit day. The full dossier will have to be submitted within 2 years from Exit day. This process applies also to UK-held registrations that were transferred to EU-based ORs to maintain access to the EU market. Details on the preliminary information can be found in Appendices A and B of the [REACH Technical Notice for 'no deal' Brexit](#).
- Downstream users of substances that are already registered under EU REACH by an EU entity and want to import that substance for the UK market, will need to pre-register the substance by submitting preliminary information via the UK REACH-IT system within 180 days from Exit day. The full dossier will have to be submitted within 2 years after Exit day. Details on the preliminary information can be found in Appendix C of the [REACH Technical Notice for 'no deal' Brexit](#).
- EU and non-EU based companies who want to place a substance on its own or in a mixture on the UK market will have to appoint a UK based OR or affiliate.
- Companies wishing to place a substance on its own or in a mixture on both the UK and EU markets will have to register the substance under both EU and UK REACH.

The pre-registration will not incur any fees, but the full registration will mirror current ECHA fees (approximately €1,600).

It is important to identify in your supply chain which substances will be impacted, depending on where the registration holder is based, and prepare a contingency plan.

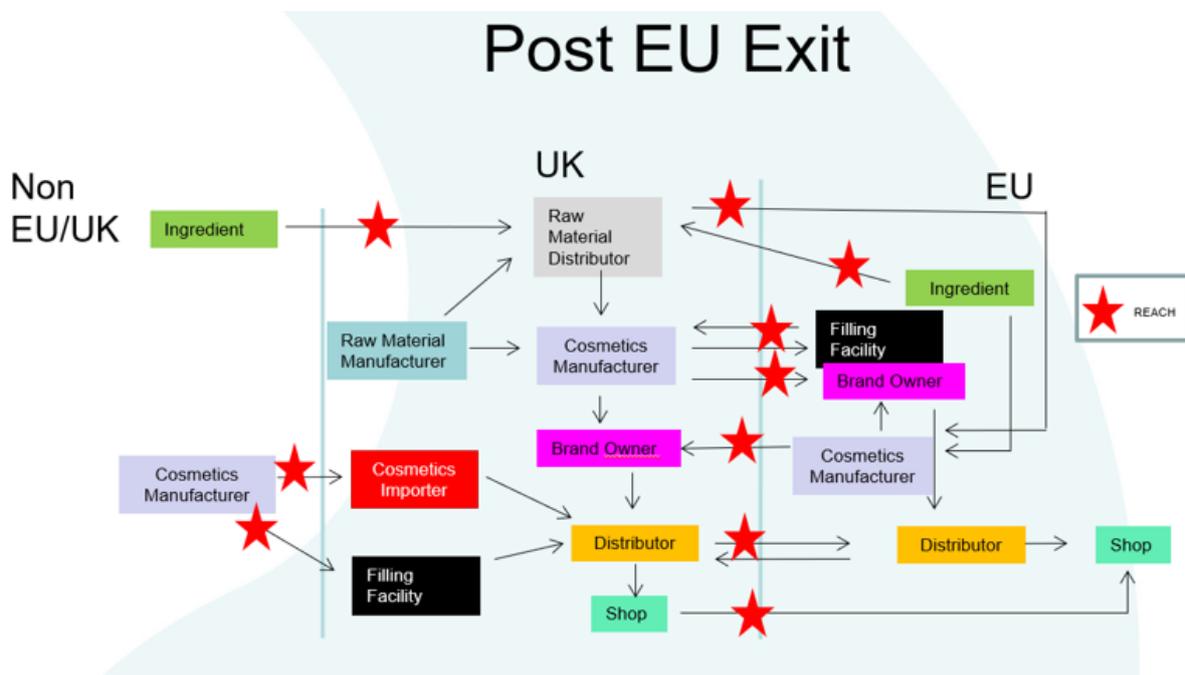
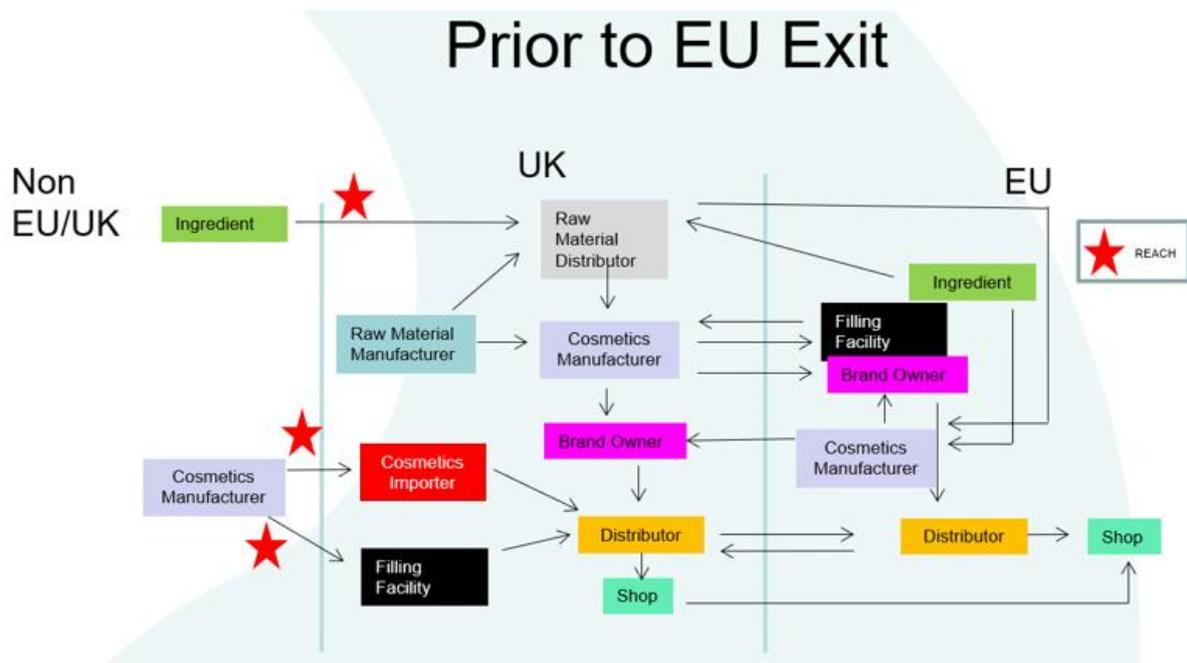
## CTPA Actions

CTPA has been working with the Alliance of Chemicals Association (ACA) and the Department of Environment, Food and Rural Affairs (Defra) directly to highlight the impact of a 'no deal' Brexit on the cosmetics industry, which involves extra administrative work and high costs for companies, disruption to the supply chain, and barriers to trade. Moreover, the current UK REACH proposal does not provide information on how chemicals and dossiers will be reviewed by Defra and the Health and Safety Executive (HSE). This is very concerning for the cosmetics industry, as relevant scientific assessment is crucial to ensure the safety of chemicals and protection of the environment.

The ACA has also corresponded with Thérèse Coffey MP, Parliamentary Under-Secretary, Defra, addressing the sector's concerns on the current approach toward management of EU REACH and the plan of a UK REACH framework. The [letter](#) has been co-signed by CTPA.

CTPA has also taken up this issue at the highest political level to highlight the industry's concerns of the 'no deal' REACH plan, and strongly advocating with the relevant Government departments to ensure that the impact of a 'no deal' Brexit on the cosmetics industry is fully understood.

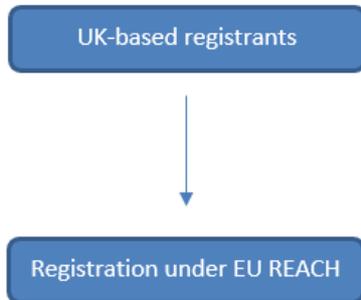
The pictures below show pre- and post-Brexit REACH supply chain trigger points.



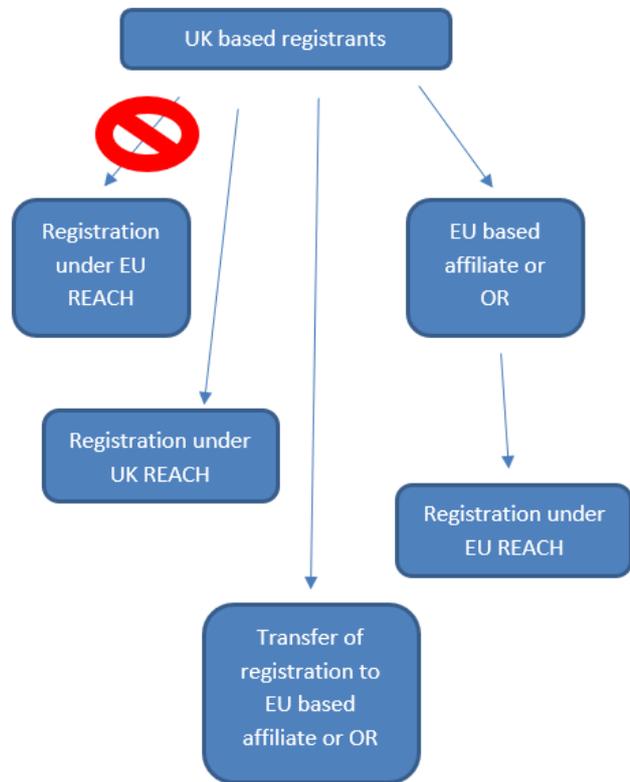
More information can be found in the UK Government Technical Notice [‘Regulating chemicals if there is no Brexit deal’](#) and its [updated version](#).

## 'No deal' Brexit Impact on REACH – Decision Trees

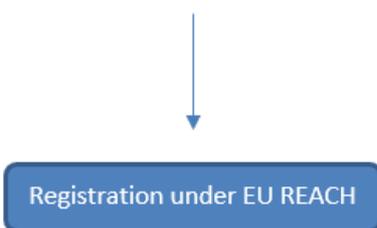
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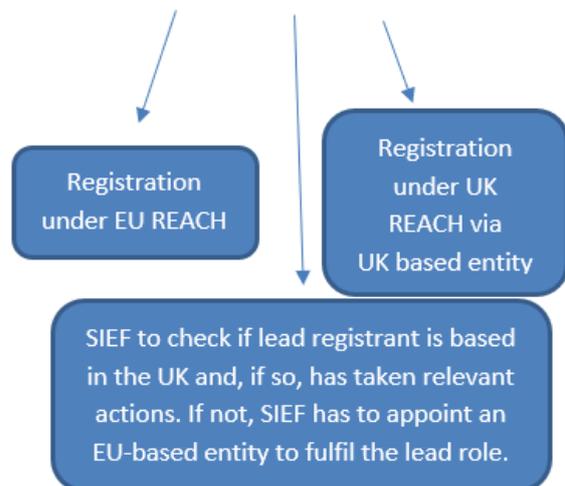
POST-BREXIT

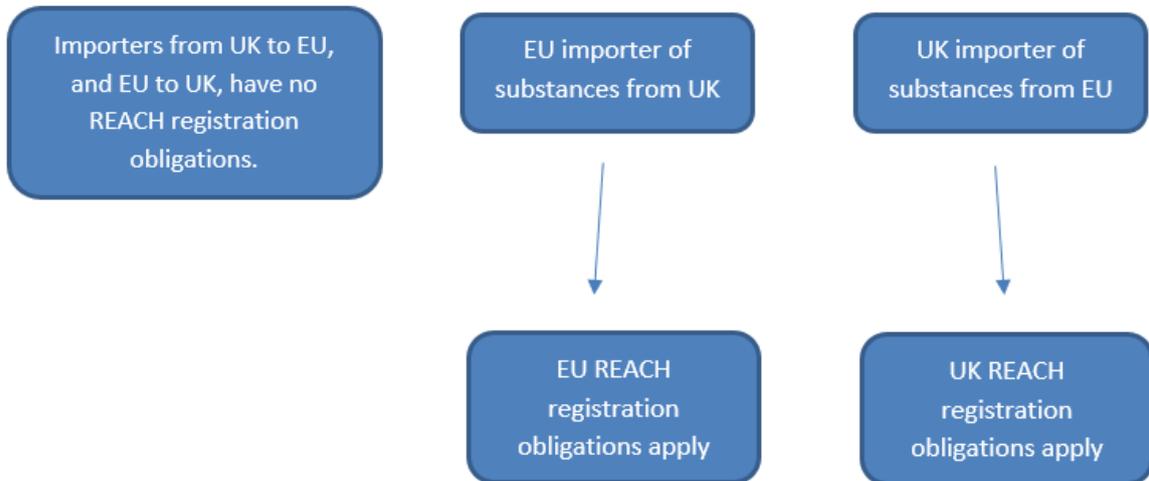
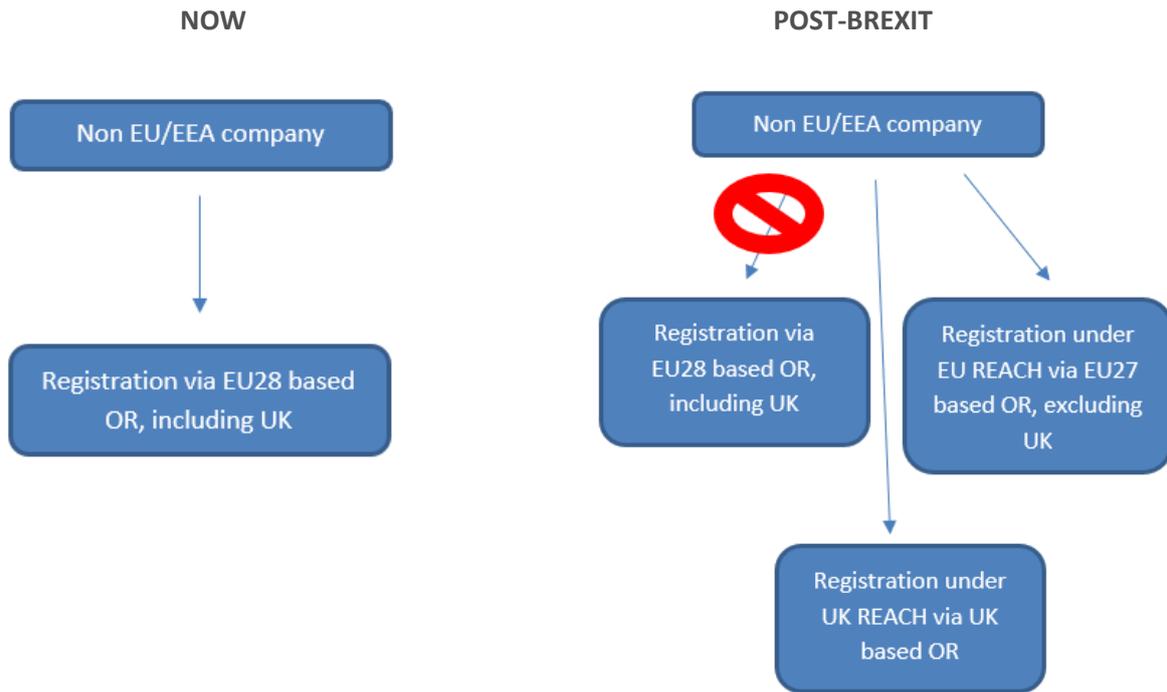


EU-based registrants



EU based registrants





CTPA is the authoritative public voice of a vibrant and responsible UK industry trusted to act responsibly for consumers. It represents cosmetic manufacturers, brand owners, distributors, ingredient suppliers and service providers; from SMEs to multi-nationals. CTPA's primary goal is to promote good working practice to ensure that consumers are provided with the very best products.

To learn about the benefits of CTPA membership visit [www.ctpa.org.uk/](http://www.ctpa.org.uk/) [www.thefactsabout.co.uk](http://www.thefactsabout.co.uk) for consumer information