

Digital Product Passport for the detergent industry

300mle

and dec

- 55 m



Before we start...

The event is recorded, and all attendees are muted

The recording of the event, presentations, A.I.S.E views and recommendations will be shared early next week via email

Due to the very high number of participants, the chat functionality is not available

Questions can be submitted via Slido



General introduction and welcome

Alexis Van Maercke Director General, A.I.S.E.

Introduction to the digital product passport in the scope of Detergent Regulation







3

About the A.I.S.E. network

The detergents and maintenance products industry across Europe

A.I.S.E. represents the detergents & maintenance products industry in Europe. Based in Brussels, A.I.S.E. has been the voice of the industry to EU regulators **for more than 70 years**. Membership consists of 29 national associations across Europe, 19 corporate members and 23 value chain partners. Through this extensive network, A.I.S.E. represents **over 900 companies** supplying household and professional cleaning products and services across Europe.

The industry is a substantial contributor to the European economy with an annual **market value of €45,5 billion**, directly employing 95 000 and 360 000 throughout the value chain.

A.I.S.E. has a long history in leading voluntary industry initiatives that focus on sustainable design, manufacturing and consumption, product safety and safe use of products by consumers and professional customers.

6

٥

STRONG NETWORK D $A \cdot I \cdot S \cdot E$ **MEMBERS** NATIONAL ASSOCIATE CORPORATE ASSOCIATIONS MEMBERS MEMBERS 29 23 19 DETERGENTS UPPORTIN 9 PARTNER

DETERGENTS REGULATION





DETERGENTS REGULATION (EC) NO 648/2004

✓ Why is it being revised

1. Reflect new market trends2. Digitalisation & Modernisation

✓ What should the revision ensure

- Better regulation
 Enable innovation
- Future-proof legislation
- Competitiveness of the EU market





PURPOSE OF THE DPP

Enhance transparency, digitalisation and sustainability.

Facilitate access to product information in the detergent products.



 $A \cdot I \cdot S \cdot E$

since 1952

REGULATORY CONTEXT



Provisions introduced through the Detergents Regulation & ESPR





2

3

4

5

9

How does the model definition impact label scrapping? *Julia Kheifets, Reckitt*

Impact assessment of the digital product passport implementation Bernd Glassl, IKW

The future of the digital product passport for detergents Marion Van Deurzen, Unilever

Questions & Answers

Conclusion and key topics for the detergents industry *Sascha Nissen, A.I.S.E.* $\cdot S \cdot E$

since 195



10





How does the model definition impact packaging scrapping?

Julia Kheifets

Global Regulatory & Safety Strategy Lead, Reckitt

Details and implications of model definitions on the label management and scrapping







LABELS MANAGEMENT TODAY

11



TODAY'S LABELING OF DETERGENTS

Label:

- Information about ingredients: anionic surfactant 5-15%...
- Changed every 2-5 years.



Formula:

- In most cases notified to Poison Center (CAS #..), has UFI code.
- Changed every 2-5 years





LIQUID LAUNDRY DETERGENT COMPOSITION.



| CAS № | Chemical | Percentage (%) | | | |
|--|--|----------------|--|--|--|
| 68439-50-9 | Surfactant: Laureth-7 | 10.00 | | | |
| 68411-30-3 | Surfactant: Sodium Alkyl Benzenesulfonate | 8.00 | | | |
| 68585-34-2 | Surfactant: Sodium Laureth Sulfate | 2.00 | | | |
| 22042-96-2 | Phosphonate | 1.30 | | | |
| 9014-1-01 | Enzyme | 0.30 | | | |
| 7732-18-5 | Water | 70.00 | | | |
| Only key ingredients are shown. Detailed composition is provided in the Annex. | | | | | |



~15 ingredients

TYPICAL SUPPLY SITUATIONS.



| CAS № | Chemical | Percentage (%) | | Surfactant is unavailable through original supplier. Alternative is available from another supplier, however with the different CAS # | |
|--|--|----------------|---|--|-------|
| 68439-50-9 | Surfactant: Laureth-7 | 10.00 | \rightarrow | | |
| 68411-30-3 | Surfactant: Sodium Alkyl Benzenesulfonate | 8.00 | | | |
| 61789-89-7 | Sodium Palm Kernelate (soap) | 3.00 | | | |
| 68585-34-2 | Sodium Laureth Sulfate (surfactant) | 2.00 | | | Today |
| 22042-96-2 | Phosphonate | 1.30 | | | |
| 9014-1-01 | Protease (enzyme) | 0.30 | | CLP allows interchangeable components Poison center notification updated | |
| 7732-18-5 | Water | 70.00 | | | |
| Detailed composition is provided in the Annex. | | | No label change: anionic surfactant 5-15% | | |



INTRODUCTION OF THE DIGITAL PRODUCT PASSPORT



15

TODAY'S LABELING OF DETERGENTS



Model = Annex V (EP text)

• Information about ingredients: anionic surfactant 5-15%...

Label changed every 2-5 years.



Model = Annex IV (Council text):

• Ingredients with CAS #

Label changes up to several times a year. The more frequent labels are changing, the higher is the label scrap.

SHOULD LABEL BE CHANGED?



| | Model (Council) | Model (EP) |
|---|--------------------------------------|--|
| | Annex IV (ingredient list with CAS#) | Annex V (Ingredient list on the Label) |
| Change in surfactant | Yes | No |
| # of Artwork changes for 1 SME*/year | 10 | 0 |

Industry recommends to define Model through Annex V as it correlates with current labels info and helps avoiding labels scrapping.

For the same reason addition of CAS # in the DPP content is to be avoided.

*Assuming SME manufactures 10 Models of detergents

||<\~''





Impact assessment of the digital product passport implementation

Bernd Glassl

Head of the Department of Home Care Products, IKW

Cost estimation for detergent manufacturers due to the implementation of DPP, highlighting SME perspective



18

Estimation of costs for detergent manufacturers within IKW due to the digital product passport (DPP)

Bernd Glassl, IKW; 8 October 2024

The German Cosmetic, Toiletry, Perfumery

and Detergent Association (IKW)





The project to estimate costs for manufacturers for the DPP

- IKW: about **130 members** which market detergents in Germany /440 members in total
- Cost estimations in the project refer to these 130 members.
- Time: June to August 2024; final report issued on 17 September 2024
- Participants:
 - 8 IKW members (of which 4 are direct members of A.I.S.E.)
 - IKW Office

Reference documents used within the project: <u>New</u> Detergents and Surfactants Regulation

- 1. COM: Proposal of 28 April 2023
- 2. EP: Legislative Resolution (Result of 1st reading)
- 3. Council: Document of 14 June 2024



Estimation of costs

- 1. "Batch" versus "model" as defined by EP versus "model" as discussed by Council
- 2. Running costs
- 3. Commissioning external DPP service providers
- 4. Company's own IT programme for the creation and provision of the DPP (no estimation was possible)



"Batch" versus "model" (EP) versus "model" (Council) for <u>one</u> detergent / Results

Batch:

- Up to 3,750 batches per year (meaning up to 3,750 DPP's per year)

Model as proposed in the Council:

- 1 to 3 changes per year

Model as defined by EP:

- 0,2 to 1 changes per year



Data carrier (e.g. a QR-Code) and DPP

Data carrier ...

- will be mandatory on each pack,
- shall lead to the DPP,
- to be the link between the digital and analogue worlds.

An updated DPP requires a new data carrier on the label.



Old data carrier leads to old DPP.

Unused packaging with old data carrier **must be disposed of**.



Costs for printing the data carrier on the label

Data carrier on the label:

Best quality if integrated in the art work of label or packaging

- **Problem:** If the data carrier changes frequently, this leads to frequent destruction of unused packaging material. **Sustainable?**
- **Solution:** Printing of data carriers after filling of the packaging
- **Costs:** Investment for printers, cameras, rearrangement of filling lines:
 - Estimation: 5 filling lines per IKW Member, 130 companies printers etc. €50,000 to €250,000 / Average: €100,000 5 x 130 x €100,000 = €65 million
- Limitation:Printing after filling not possible e.g. for pouches, refill pouches, tubes;
will lead to destruction of unused packagingSustainable?





Change of batches or models per year **QR** Code on (maximum figures) the artwork? impossible 3,750 **Batch** mostly Model (Council) 3 impossible Model (EP) often an option 10 3,750

Model definition of EP will help to reduce the investment costs of €65 millions for printing the data carrier after filling.



Further costs

- Annual costs for further personnel:
 - due to DPP need for 0.5 to 5 new full-time positions per company in the long term
 - Full-time position in Germany: €100,000 per year.
 - Assumption: one full-time position per company, for the 130 IKW members:
 €13 million per year
- Expected costs of commissioning external DPP service providers
 - Range: €200 to more than €10,000 per DPP
 - Assumptions: average € 1,000 per DPP; 50 DPPs per year
 €1,000 x 50 DPPs per year x 130 = €6.5 million per year



Further costs

- A realistic estimate of the costs and effort required for an IT programme to create and provide digital product passports could not be made as part of this project.
- EP: Technical documentation and the results of the conformity assessment procedure to become binding parts of the product passport which should, only available e.g. to the market surveillance authorities and the COM.
 - Consequences:
 - **significant increase of costs for companies,** if they or a service provider had to give authorities special access rights and companies had to provide authorities with additional information;
 - Expensive special security measures against unauthorised access would have to be taken; even then risk of loss of confidential business information.



Summary: Estimated costs for IKW members

| | Batch | Model (Council) | Model (EP) |
|--------------------------------|------------------------------|---|---------------------------------------|
| Printing after filling | €65 millions (investment) | €65 millions (investment) or lower | Considerably lower |
| Personnel costs | Immensely higher | €13 millions per year or higher | €13 millions per year |
| External DPP service providers | Immensely higher | €6.5 millions per year or higher | €6.5 millions per year |
| N. B: | | | Model definition of EP will reduce |

Full costs for IKW members as part of the implementation of the DPP for detergents **cannot yet be estimated**.

Many aspects are still unclear, the standards and regulations required for preparation and detailed guidelines for the practical implementation of the DPP do not exist yet.

considerably.







The future of the digital product passport for detergents

Marion Van Deurzen

Home Care Regulatory Affairs Lead Europe, Unilever

Transforming detergent transparency with DPP





 $A \cdot I \cdot S \cdot E$

since 1953

TRANSFORMATION





Iconic House with big windows.....

30



Glass House..



³¹ THE DPP FOR DETERGENTS: COMPLEX INTERACTION OF DATA & SYSTEMS & INTERACTION



 $A \cdot I \cdot S \cdot E$

³² THE DPP FOR DETERGENTS: LEARN & ADAPT, GRADUAL APPROACH

32









ould be 3 years after both the standards & implementi act have been established, similar to the additional fragrance allergens implementation

Designing the future of the DPP for detergents



Iconic House with big windows.....



th big windows..... Glass House.





Data (windows): System (architecture):

gradual approach interoperable, consistent, pragmatic design with sufficient time to incorporate the complex transformation

34

QUESTIONS & ANSWERS



© A.I.S.E. 2024 – www.aise.eu

Conclusion



36

36

Sascha Nissen Deputy director general & Director of Sustainability, A.I.S.E.

Key messages



A.I.S.E. CONCLUDING REMARKS





PARLIAMENT

Granularity level: Model

Model defined as **Annex V**- labelling requirements proposed by European Parliament.

Feasible timing that allows us a proper implementation.



Harmonisation between Detergents Regulation and ESPR.



THANK YOU!

Munn