WORLDWIDE ENVIRONMENTAL LEGISLATIONS UPDATE

Workgroup meeting, 08.05.17

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EU RoHS-2

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Exemptions: Last Updates (slide from 27.09.16)

- On 02.06.16, Oko Institute released his final report for Pack #10 exemptions waivers appeals. The report summarizes the re-evaluation of two requests for exemption initially reviewed in 2013 and related to applications of cadmium-based quantum dots (small semiconductor particles which emit light of specific frequencies).
- On 27.06.16, Oko Institute released his final report for Pack #9 exemptions waiver appeals.
  - The report summarizes the evaluation of twenty nine requests for the renewal of existing exemptions. In light of the length of the report, it has been divided into three parts:
    - Lamp Exemptions (pdf) 372p
    - Solder and electrical contact exemptions (pdf) 392p
    - Alloy and miscellaneous exemptions (pdf) 258p

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RoHS Exemptions Unlikely to Be Published Before Fall 2017

- The EU Commission and Member States continue to meet to discuss the disposition of RoHS exemption renewal requests submitted by industry in January 2015.
- During their December 15th 2016 meeting in Brussels, the experts reviewed requests on:
  - Lead as an alloying element in steel (Annex III exemption 6a);
  - Lead as an alloying element in aluminum (Annex III exemption 6b);
  - Lead as an alloying element in copper (Annex III exemption 6c);
  - Lead in high melting temperature type solders (Annex III exemption 7a);
  - Lead in a glass or ceramic other than dielectric ceramic in capacitors (Annex III exemption 7c-I), jointly with exemption request 2015-1;
  - Lead as activator in the fluorescent powder (Annex III exemption 18b), jointly with exemption request 2015-3;
  - Lead in solders for the soldering to machined through hole discoidal and planar array ceramic multilayer capacitors (Annex III exemption 24);
  - Lead in cermet-based trimmer potentiometer elements (Annex III exemption 34).

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RoHS Exemptions Unlikely to Be Published Before Fall 2017 - cont.

- The Commission is currently working on preparing the draft legislative proposals for these (and other exemptions) which will be sent to Member States for written consultation.

- The drafts will likely be published in the spring.

- Final legislative acts could be published in the Official Journal of the EU (OJEU) in the fall at the earliest.
  - Under the EU RoHS2, all existing exemptions were set to expire by July 21, 2016. However, all exemptions for which industry submitted a renewal application will not expire until the EU Commission completes the current ongoing review of the applications.

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Enforcement in Sweden

- During 2016, Sweden's Chemical Agency (Kemi) audited **84 companies** and analyzed the chemical content of **154 products**.
- Most of the products that were examined originated in China, included bike lights, headphones, USB cables and Christmas decorations.
- Kemi found banned chemicals in nearly **40 percent** of audited low-cost electrical and electronic products.
- The audits revealed that the products has a "high rate of noncompliance" with Swedish and European Union RoHS and Persistent Organic Pollutants (POPs) requirements.
- Labeling and documentation obligations under REACH and other regulations were also frequently found to be absent.

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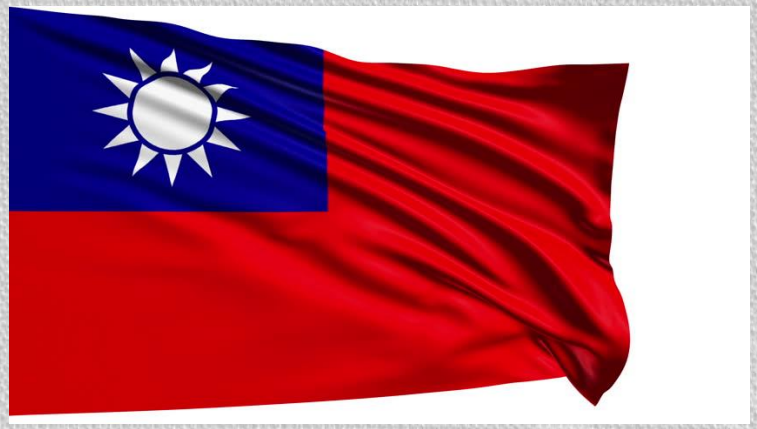

Taiwan-RoHS

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Taiwan RoHS

- 15 Aug 2013, The Bureau of Standard, Metrology and Inspection (BSMI) published a national standard *CNS 15663 "Guidance to reduction of the restricted chemical substances in electrical and electronic equipment (EEE)"*.
- CN15663 sets the scope of EEE products affected, the concentration limits of 6 hazardous substances and how to mark the presence of hazardous substances in EEE products.
- It shall be noted that CN15663 is a voluntary standard. Evaluation of CN15663 compliance is only mandatory for certain EEE products that are subject to mandatory inspection under the Commodity Inspection Act and announced by BMSI (next slides).

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Scope of Taiwan RoHS

- Taiwan RoHS applies to -
  - Large and small household appliances
  - IT and telecommunications equipment (including computers)
  - consumer equipment
  - lighting equipment
  - Electronic and electronic tools (except large scale stationary industrial tools)
  - Toys, leisure and sports equipment
  - Automatic dispensers
- National security or military use equipment, non-electrically driven equipment, fixed installation equipment and batteries are out of scope.

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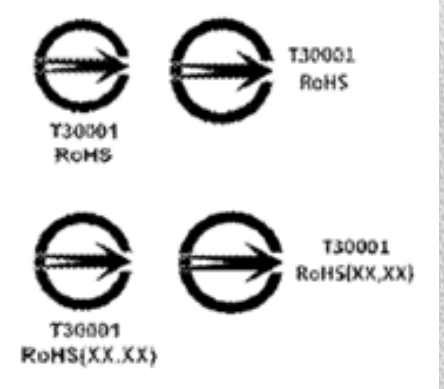
Commodity Inspection Mark

- For EEE products subject to mandatory inspection under the Commodity Inspection Act, BSMI **could add** RoHS compliance requirements to the mandatory conformity assessment scheme.
- Currently (as of 25 Aug 2016), the following products are subject to **mandatory compliance** with CN15663:
  - **From 1 Dec 2016** - drinking fountains.
  - **From 1 July 2017** – IT equipment, including automatic data processing machines, printers, photocopying machines, televisions and monitors. Also proposed for this date are projectors and lighting equipment, such as fluorescent tubes.
  - **From 1 January 2018** – word processors, such as typewriters and cashiers (43 items in total) and wireless items, such as keyboards, mice and scanners (48 items in total).
- For products that have passed mandatory inspections, a modified BSMI Commodity Inspection Mark needs to be put on the products in a prominent location. Basically it is an add-on to the current BSMI Commodity Inspection Mark to show the absence or presence of RoHS restricted substance in the product.



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Hazardous Substances Marking

- Companies shall clearly mark the hazardous substance content table on the body, packages, stickers, or the instruction books of the affected EEE products.

Equipment name: Television receiver, Type designation: XXX						
Unit	Restricted substances and its chemical symbols					
	Lead (Pb)	Mercury (Hg)	Cadmium (Cd)	Hexavalent chromium (Cr^{+6})	Polybrominated biphenyls (PBB)	Polybrominated diphenyl ethers (PBDE)
Printed circuit board	Exceeding 0.1 wt %	○	○	○	○	○
Cabinet	○	○	Exceeding 0.01 wt %	○	○	Exceeding 0.1 wt %
Glass panel	–	○	○	○	○	○
Speaker	○	○	○	Exceeding 0.1 wt %	○	○
Accessory (example: remote controller)	–	○	○	○	○	○

Note 1: "Exceeding 0.1 wt %" and "exceeding 0.01 wt %" indicate that the percentage content of the restricted substance exceeds the reference percentage value of presence condition.

Note 2: "○" indicates that the percentage content of the restricted substance does not exceed the percentage of reference value of presence.

Note 3: The "–" indicates that the restricted substance corresponds to the exemption.

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EU REACH

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SVHC List

- 12.01.17: Four new SVHC added to the list, which now contain 173 substances.
- Only the first two can be expected to be in use in electronic articles in concentrations exceeding 0.1%w/w.

#	Substance name	EC number	CAS number	SVHC property	Examples of use(s)
1	4,4'-isopropylidenediphenol (bisphenol A; BPA)	201-245-8	80-05-7	Toxic for reproduction (Article 57c)	Manufacture of polycarbonate epoxy resins and chemicals; hardener in epoxy resins
2	Nonadecafluorodecanoic acid (PFDA) and its sodium and ammonium salts	206-400-3 - 221-470-5	335-76-2 3830-45-3 3108-42-7	Toxic for reproduction (Article 57c) PBT (Article 57d)	Lubricant, wetting agent, plasticiser and corrosion inhibitor
3	p-(1,1-dimethylpropyl)phenol	201-280-9	80-46-6	Toxic for reproduction (Article 57c)	Manufacture of chemicals and plastic products
4	4-heptylphenol, branched and linear [substances with a linear and/or branched alkyl chain with a carbon number of 7 covalently bound predominantly in position 4 to phenol, covering also UVCB- and well-defined substances which include any of the individual isomers or a combination thereof]	-	-	Toxic for reproduction (Article 57c)	Manufacture of polymers; formulation into lubricants

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4,4'-isopropylidenediphenol (Bisphenol A; BPA)

- Applications which **NEED** investigation for BPA:
  - Thermal printing paper: Can contain up to 3% BPA by weight of paper.
  - PVC which contains antioxidant additives: Can contain up to 1.2% BPA by weight of PVC.

- Applications which you do **NOT** need to investigate for BPA:
  - BPA is used as an ingredient in the manufacturing of polycarbonate plastic, epoxy resins and other polymers.
  - However, residual levels of unreacted BPA in the polycarbonate plastic, epoxy resins and other polymers are <0.01%w/w.

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BPA as Antioxidant Additive in PVC

- Antioxidants are added to PVC to –
  - Prevent oxidation and yellowing
  - Make the PVC more stable to heat in end-use applications
  - Extend product lifetime by preserving mechanical and electrical properties.

- BPA is very efficient antioxidant and was traditionally used in PVC
  - Typical addition rate between 0.2% and 1.2% by weight of PVC.

- BPA has generally been replaced by other antioxidant agents in PVC manufactured in EU, however it may be found in PVC manufactured outside EU.

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Nonadecafluorodecanioc Acid (PFDA) and its Sodium and Ammonium Salts

- PFDA is used in small quantities (<1%) to assist polymerization in the manufacture of polytetrafluoroethylene (PTFE) and polyvinylidene fluoride (PVDF).
- Manufacture of PTFE involves high temperatures which destroy any trace remining of PFDA.
- However, manufacture of PVDF plastic involves lower temperatures and so it is possible that PFDA could be found in PVDF plastic up to 1% by weight of plastic.
- PVDF is high performance, specialist plastic used in critical industrial applications such as chemical handling systems and high purity piping.

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Authorization List

- In November 2016, the ECHA recommended prioritizing the addition of **nine** Substances of Very High Concern (SVHC) to the EU REACH Annex XIV Authorization List which currently contain **31 substances**.
- The nine SVHCs being called for prioritization are:
  - **1,2-Benzenedicarboxylic acid, dihexyl ester, branched and linear** -- Plasticizer.
  - **Dihexyl phthalate** -- Plasticizer.
  - **Trixylyl phosphate** -- Lubricants, greases, hydraulic fluids, metal working fluids, plastic products.
  - **Sodium perborate; perboric acid, sodium salt** -- Detergents and bleaching products.
  - **Sodium peroxometaborate** -- Detergents and bleaching products.
  - **Pentalead tetraoxide sulphate** -- Production of batteries.
  - **Tetralead trioxide sulphate** -- Production of batteries. Coatings and inks for mirror backing.
  - **Orange lead (lead tetroxide)** -- Production of batteries. Adsorbents, paints, lubricants, corrosion inhibitors, explosives, rubber products.
  - **Lead monoxide (lead oxide)** -- Production of batteries. Adsorbents, catalysts, lubricants, corrosion inhibitors, rubber products. Surface treatment (plating).
- The final decision on the inclusion of the SVHCs in the Authorization List and their effective dates will be decided by the European Commission in collaboration with the Member States and the European Parliament at a future date.

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PFOA Restriction

- The European Commission has drafted a regulation to amend EU REACH Annex XVII by creating a new entry to include a new restriction of perfluorooctanoic acid (PFOA), its salts and PFOA-related substances as substance on its own and as a constituent of other substances, in mixtures, or in articles or any part thereof.
- The draft regulation has been sent to World Trade Organization (WTO) for circulation on October 6, 2016.
- According to the WTO notification, the draft regulation is proposed to be adopted in the first half of 2017 and the restriction shall begin to apply 3 years after the date of entry into force in general.
  - Restriction for specific products will have longer transitional period

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Guidance on Substances in Articles Delayed

- ECHA published its V4.0 of the guidance (draft) on July 2016, following European Court of Justice (ECJ) ruling in 2015 which stated that the 0.1% threshold for notifying SVHCs in articles applies to each article incorporated as a component of a complex product, rather than to the entire article.
- On Jan. 2017 ECHA announced that the update of their Guide will not be published until July or August 2017. ECHA had previously indicated that guidance would be released in early 2017.

- The delay is needed to allow ECHA to evaluate the nearly 700 comments on its current draft.
- As of **1 Feb 2017,** ECHA has dramatically updated the draft v4.0 SIA Guidance**,** simplifying examples to the point where they are just building blocks for situations you will find in "complex objects". Check it out here: https://echa.europa.eu/support/guidance/consultation-procedure/ongoing-reach.
  - Draft (above 160 pages!) was moved to CARACAL (Competent Authorities for REACH and CLP) on April 6th 2017.

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Batteries

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Cordless Power Tools

- The existing exemption for portable batteries and accumulators intended for use in **cordless power tools** under the EU Battery Directive 2013/56/EU expired on December 31, 2016.
- Therefore, effective January 1st 2017, it is **prohibited** to place portable batteries and accumulators, including those incorporated into appliances, on the market that contain more than 0.002% of **cadmium** by weight, including portable batteries and accumulators intended for use in cordless power tools.
- In the 2013 publication of the Directive, which provides details on the recently expired exemption, the Commission noted that suitable cadmium-free substitutes for such applications are available on the market, namely nickel-metal hydride and lithium-ion battery technologies.

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USA Conflict Minerals

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CMRT Update

- Nov. 30, 2016: Conflict Free Sourcing Initiative (CFSI) has released Conflict Minerals Reporting Template (CMRT) version 4.20, an update from CMRT 4.10 which was released in May.
- CFSI lists some of the "major changes" included in CMRT 4.20:
  - Corrections to all bugs and errors
    - ✓Ability to insert rows to the product list tab
    - ✓Grammatical fixes
  - Enhancements which do not conflict with IPC-1755
    - ✓Additions and clarifications in the instructions and definitions
    - ✓Update to ISO short names for countries changed (see list on **CFSI website**)
  - Translation improvements for all updated instructions and definitions
  - Updates to the Smelter Reference List and Standard Smelter List

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Trump Roll Back?

- President Trump and the Republican-majority Congress are expected to seek to roll back at least some aspects of Dodd-Frank.
- However, at present, most of the Conflict Minerals Rule remains very much in effect and is likely to remain so for at least the current reporting period, which requires filings in respect of calendar 2016 to be made by May 31, 2017.
- Even if the Rule is repealed, many large companies have indicated that they will continue to expect suppliers to trace the origin of the 3TG in their products, maintain compliance programs and responsibly source 3TG.
  - These requirements will ripple through many supply chains in much the same way as if the Rule were to remain in effect.
  - NGOs continue to review and rank filings.

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SEC seeking comments on modification of CM rule

- Acting SEC Chair Michael Piwowar announced, on January 31, 2017, that the Commission would **solicit comments** regarding modification of the Conflict Minerals Rule mandated by section 1502 of the Dodd-Frank Act (2010). The announcement was made eight days after Piwowar was named Acting Chair by President Trump.
- Piwowar has also directed staff to "consider whether the 2014 guidance is still appropriate and whether any additional relief is appropriate in the interim."
  - That guidance permitted filing companies to not declare the conflict status of their products, unless they voluntarily chose to make such a declaration.
- On March 16, 2017, IPC filed comments with the SEC asking the SEC to consider modifications of the rule and Section 1502 to reduce the burden on U.S. manufacturing industries (volume-based de-minimis threshold; concentration de-minimis thresholds; and harmonization with EU regulations).
- March 29th : Senators seeks investigation into acting SEC Chairman Piwowar's authority to reconsider Conflict Minerals rule.
- May 5th: The House Financial Services Committee approved the Financial Choice Act (H.R. 10) to **repeal and replace** the Dodd-Frank Act of 2010, including a repeal of the Section 1502 conflict minerals requirements.

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Legal Status: Status Quo Continues

- The litigation relating to the U.S. SEC's Conflict Minerals Rule enters its fourth year.

- In Oct. 2016 the case was randomly assigned to Judge Ketanji Brown Jackson. As those who have been watching the case for the past four years may remember, the District Court judge who originally decided the case – Robert L. Wilkins – was subsequently elevated to the Court of Appeals.

- March 15, 2017: The parties to the legal challenge have agreed that no further court proceedings are necessary.

- April 3rd, 2017: Final judgment by the District Court Columbia (next slide).

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Legal Status: Status Quo Continues (cont.)

- Court decisions:
  1. Declared that Section 1502 of Dodd-Frank, Rule 13p-1 thereunder and Form SD **violate** the First Amendment to the extent that the statute and the rule require companies to report to the SEC and state on their websites that any of their products "have not been found to be 'DRC conflict free'.
  2. Held **unlawful** and set aside the Rule to the extent that it requires companies to report to the SEC and state on their websites that any of their products "have not been found to be 'DRC conflict free'".
  3. Remands to the SEC, to **take action in furtherance** of the Court's decision.
- April 7th, 2017: SEC is suspending enforcement of the costliest requirements of the rule: the Commission does not intend to recommend enforcement against any issuer that does not file a CMR or conduct due diligence of its smelters/refiners.
  - The statements do not amend the language of the rule itself to eliminate the CMR and due diligence requirement – they only clarify that no enforcement action will be taken if an issuer triggers the CMR/due diligence mandate, but files only the basic Form SD.

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Cobalt: The Next Conflict Mineral?

- Apple, HP, Samsung SDI and Sony have joined an effort known as the Responsible Cobalt Initiative.
  - Aim: To promote cooperation with the government of the Congo. The initiative is being led by a Chinese business group, the Chinese Chamber of Commerce for Metals, Minerals and Chemicals Importers and Exporters, and supported by the OECD.

- The Electronic Industry Citizenship Coalition (EICC), whose members include Apple, Dell, Foxconn, and Ford Motors, has announced the new "Responsible Raw Materials Initiative."
  - Aim: To expand scrutiny of its members' supply chains beyond the 3TG "conflict" minerals.

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The EU's Responsible Trading Strategy for Minerals from Conflict Zones

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EU Reaches Final Agreement on Conflict Minerals Regulation

- Nov. 22nd, 2016: Negotiators from the European Parliament, the Council of Ministers and the European Commission reached a final agreement on the Conflict Minerals Regulation.
- The regulation will ensure sustainable sourcing for **more than 95% of all EU imports** of tin, tantalum, tungsten and gold, which will be covered by due diligence provisions.
- On Jan. 24th 2017 the Parliament voted to support the regulation.
- On March 16, 2017, the European Union (EU) Parliament voted to adopt the regulation.
- On April 3rd 2007, The EU Council approved the regulation.
- The new regulation (58 pages) will take effect on **January 1st, 2021**.

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EU Regulation Content

- EU smelters and refiners and direct importers of tin, tantalum, tungsten and gold (3TG) into the EU are required to conduct due diligence using the OECD Guidance framework if they are sourcing from conflict-affected and high-risk areas anywhere in the world.
- Small volume importers of 3TG will be exempted.
- The regulation will not require due diligence by manufacturers, importers and sellers of finished products and components.
  - However, these companies will be encouraged to make voluntary disclosures.

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US TSCA Reform

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EPA Announces First Ten Substances to be Reviewed Under LSCA

- Under TSCA Reform, EPA must release a scoping document within six months for each chemical and complete the risk evaluations within three years.
- Depending on the results of these risk evaluations, the EPA may then be required to ban one or all of these chemicals from the marketplace.
- On November 29, EPA announced the first 10 chemicals that will be undergo risk evaluations under the recently reformed TSCA:
  - 1,4-Dioxane
  - 1-Bromopropane
  - Asbestos
  - Carbon Tetrachloride
  - Cyclic Aliphatic Bromides Cluster
  - Methylene Chloride
  - N-methylpyrrolidone
  - Pigment Violet 29
  - Tetrachloroethylene, also known as Perchloroethylene
  - Trichloroethylene
- Many of the listed solvents, have been used in electronics manufacturing and may still be in use in certain locations and applications.

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Anti-Human Trafficking

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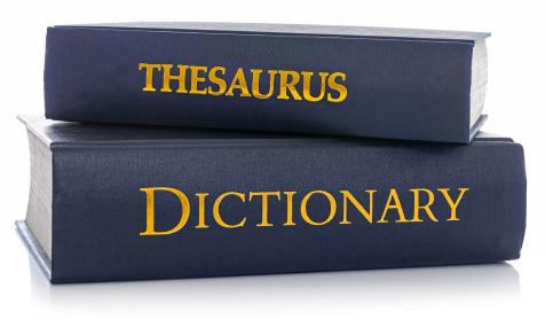
Nomenclatures

- Forced labor, contemporary forms of slavery, debt bondage and human trafficking are closely related terms though not identical in a legal sense.
- Most situations of slavery or human trafficking are, however, covered by ILO's (International Labor Organization) definition of forced labor.



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Modern Slavery In Numbers

Global Slavery Index:

45.8 million people

living in modern slavery (2016)

International Labor Organization:

21 million victims

of forced labor (2012)

Supply chains provide fertile ground for modern slavery conditions to arise

58 percent of those living in slavery are located in **five countries:**

North Korea: 4.37%; Uzbekistan: 3.97%; Cambodia: 1.65%; India: 1.4%; Qatar: 1.36%.

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The US Federal Acquisition Regulation (FAR) Anti-Human Trafficking Provisions.

- The FAR governs the US Federal government's procurement process and applies to not only prime contractors, but in many cases subcontractors and agents as well.

- There are two principal compliance obligations under the FAR anti-human trafficking provisions:
  - First, there are nine prohibited activities applicable to contractors and subcontractors (which also includes indirect subcontractors) and their employees and agents. This portion of the rule applies to all contracts.
  - Second, the FAR anti-human trafficking provisions require a compliance plan and periodic certifications if the contract is for goods or services acquired or to be performed outside the United States with an estimated value that exceeds $500,000. For purposes of calculating the dollar threshold, commercially available off-the-shelf items are excluded.

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The California Transparency in Supply Chains Act

- In 2010, California became the first state in the US to adopt a formal anti-slavery policy.
- The California Transparency in Supply Chains Act, commonly known as Senate Bill (SB) 657, states that any company with revenue greater than $100 million doing business in California must disclose their efforts to mitigate the risk of slavery in their supply chain.

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The UK Modern Slavery Act (MSA)

- Originated in 2015.
- Starting this year, the MSA will require a significant number of healthcare companies to annually publish on their websites a statement describing the steps that they have taken during the preceding fiscal year to ensure that slavery and human trafficking are not taking place in any of their supply chains or in any part of their own businesses.
- This requirement applies to "commercial organizations" doing business in the United Kingdom, irrespective of home country, that provide goods or services and have worldwide turnover of at least £36 million.

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The UK Labor Standards Assurance System (LSAS).

- LSAS was commissioned by the UK Department of Health and NHS Supply Chain, which procures products for the National Health Service.

- LSAS has 15 action points, including the following supply chain facing items:
  - Adopting a labor policy for the supply chain that among other things addresses the use of child and forced labor;
  - Assessing the extent to which labor standards are at risk of being abused within the supply chain;
  - Communicating the policy and other relevant information to identified suppliers, collecting and verifying information relating to labor standards performance and responding to the information and evidence collected to drive continual improvement of labor standards throughout the supply chain.

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Proposed French Human Rights Legislation

- During November 2016, the French National Assembly adopted a bill that would require large French companies to adopt a vigilance plan to identify and prevent serious human rights violations, including at the subcontractor and supplier level.
- Requirements of the vigilance plan would include:
  - risk mapping;
  - procedures for assessing subsidiaries, subcontractors and suppliers;
  - risk mitigation;
  - A reporting and grievance mechanism drawn up in consultation with representative trade union organizations; and
  - A mechanism for monitoring the compliance measures implemented and evaluating their effectiveness.
- If adopted into law, this legislation will impact the supply chains of large French companies, including those in the healthcare industry, irrespective of where the supplier is located.

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Non-Financial Disclosure Requirements for EU

- **DIRECTIVE 2014/95/EU** (amending Directive 2013/34/EU): Starting 2017, large companies based in the European Union will need to disclose additional non-financial information in their annual reports, specifically policies, risks and outcomes related to environmental issues, respect for human rights and anti-corruption.
  - Companies that are public interest entities with more than 500 employees.
  - Official guidelines for non-financial reporting are expected to be published by this spring, and the directive requires companies to begin collecting data this month.
    - ✓ ISO 2600 for social responsibility and OCED's guidelines for multinational enterprises.

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India Initiative

- India recently published its first ever draft on modern day slavery to be the first country in the Asian region to push legislation on forced labor in the supply chain.
- India has been ranked fourth in a global survey that lists 167 countries where modern slavery is prevalent.
- The findings of the survey released on May 2016 indicate some 1.4% of the population — roughly around 18 million people — in the country is living under conditions of modern day slavery.

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India WEEE

- India's E-waste rule came into force on 1 October 2016.
- The Rules require all producers and manufacturers of the electrical and electronic equipment (EEE) listed under the schedules of the Rules to make an application for extended producer responsibility (EPR) authorization within three months of the enforcement date.

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International Standards

- **IPC 1782:** Standard for Manufacturing and Supply Chain Traceability of Electronic Products.
- **IEC 63000:** Technical documentation for the assessment of electrical and electronic products with respect to the restriction of hazardous substances.

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Australia Asbestos

- Brokers of products imported into Australia need objective evidence from manufacturers before identifying that a product does not contain asbestos (Notice No. 2016/30).
  - As of October 2016
- Failure to provide evidence to the broker results in the inability to import.

Australian Government
Department of Immigration and Border Protection

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTICE

No. 2016/30

Assurances that imported goods do not contain asbestos

The purpose of this notice is to clarify the assurances that importers need to provide and demonstrate to the Australian Border Force (ABF) that goods imported into Australia do not contain asbestos. This notice also provides clarification for licensed customs brokers (LCBs) in declaring these assurances on behalf of their clients.

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Risk Materials for Asbestos

- Fibrous materials
  - Fibre gaskets
  - Woven or braided cable jackets
  - Cable insulation fibre

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UN - Persistent Organic Pollutants

- POP banned under the UN Stockholm Convention (2001), applicable starting 2004.
- However, legislative restriction will come from countries (or similar entities such as the EU).
- For POPs in articles -
  - Specific POPs are banned unless incidental or trace in the article.
- Legislative restrictions -
  - Will ban a POP substance in articles except if trace
  - Will later identify a ppm level that represents 'trace'

Stockholm Convention on persistent organic pollutants (POPs)

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Addendum EU Persistent Organic Pollutants

- Regulation (EC) No 850/2004
  - Updated in November by Regulation 2015/2030
- #1 cause of EU product recalls (related to restricted materials)
  - Primarily in 'cheap' PVC or vinyl
- New specification (Regulation 2015/2030)
  - Articles containing SCCPs (Short Chain Chlorinated Paraffins) in concentrations lower than 0.15 % by weight shall be allowed
  - No exemption for medical devices

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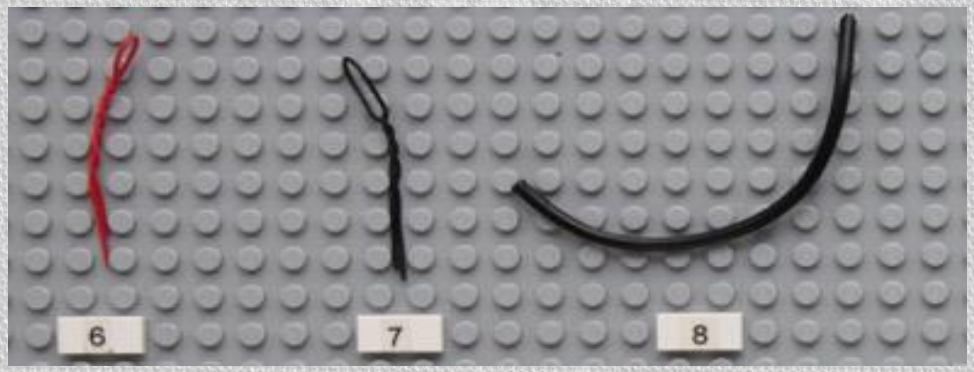
SCCP Typical Recall - 2016

- Roughly 2 to 3 recalls per week, all above 0.15%.
- Combination plasticizer and flame retardant.
- Declarable under REACH SVHC, Prop 65 and restricted under POP <0.15%.



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Compliance After Brexit

- March 29th: British PM Theresa May triggered Article 50, instigating Britain's official exit from the European Union (EU). international compliance Questions:
  - Will British and EU laws remain largely uniform post-Brexit?
  - What significance will EU materials management regulations such as REACH and RoHS have in the wake of Brexit, and how will ownership of existing regulatory data be managed?
  - How will supply chain due diligence need to be modified in order to remain compliant with both EU and UK regulations?

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Compliance After Brexit-cont.

- There are a few possible forms this relationship could take, such as:
  - Becoming a non-EU member of the European Economic Area (EEA) (as with Norway) or becoming a non-EU member of the European Free Trade Association (as with Switzerland).
    - Result: Majority of EU regulations will still apply to the UK.
  - Signing a bilateral trade agreement with the EU (the 'Canadian' model) or dealing with the EU under World Trade Organization (WTO) rules.
    - Result: UK will adopt its own product chemicals rules, most probably similar in nature to those of the EU but not necessarily identical.
- Irrespective of how this new market relationship is configured, UK businesses will still be required to comply with EU product rules in order to sell goods in the EU.
  - For this reason, it is likely international companies will push for the UK to maintain domestic rules that largely mirror those of the EU to ensure market stability and predictability in the post-Brexit environment.

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Thank you!

Need further clarifications?
Need support in implementation?
Need general consultancy?

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FAR Prohibited Activities

1. Engaging in severe forms of trafficking during the period of performance of the contract;
2. Procuring commercial sex acts during the period of performance of the contract;
3. Using forced labor in the performance of the contract;
4. Destroying, concealing, confiscating, or otherwise denying access by an employee to the employee's identity documents, such as passports or drivers' licenses;
5. Using misleading or fraudulent recruitment practices during the recruitment of employees, such as failing to disclose basic information or making material misrepresentations regarding the key terms and conditions of employment, including wages and fringe benefits, the location of work, living conditions and housing, any significant costs to be charged to the employee, and, if applicable, the hazardous nature of the work;
6. Using recruiters that do not comply with local labor laws and charging "recruitment fees" to employees;
7. Providing or arranging housing that fails to meet the host country and safety standards;
8. Failing to provide a written employment contract, recruitment agreement, or similar work paper, if required by law or contract, in the employee's native language at least five days before the employee parts from his or her country of origin; and
9. Failing to provide or reimburse return transportation costs upon the end of employment for employees who were brought into a country for the purpose of working on a U.S. Government contract or subcontract.

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