

APEC Chemical Dialogue (CD)

History and Achievements

GlobalChem Conference 2009

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Asia-Pacific
Economic Cooperation



TODAY'S PRESENTATION

- **APEC: An Introduction**
- **Chemical Dialogue: An Introduction**
- **Workstreams**
 - **Regulatory Best Practices**
 - **Globally Harmonized System (GHS) of Chemical Classification**
 - **Strategic Approach to International Chemicals Management**
 - **Rules of Origin (ROO)**
 - **REACH**
- **Industry's Role: Why YOUR Participation is Important**

APEC INTRODUCTION

- **Asia-Pacific Economic Cooperation (APEC)** was established in 1989
- Forum for **intergovernmental discussion** toward facilitating economic growth, cooperation, trade and investment in the Asia-Pacific region
- **21 members** from around the Pacific Rim
- Members account for approximately **54.2%** of world GDP and about **43.7%** of world trade
- APEC Member Ministers & Leaders meet annually
- Working groups meet throughout the year to undertake projects and discuss and propose recommendations to Ministers & Leaders

APEC Chemical Dialogue

- A **public-private forum** for finding solutions to challenges facing the chemical industry in the APEC region
- Formally established in 2001, the **1st annual Chemical Dialogue was held in May 2002 in Merida, Mexico**
- **Goals of the Chemical Dialogue:**
 - To facilitate the flow of goods and services within the APEC region
 - To discuss competitive challenges, such as non-tariff barriers
 - To develop recommendations for enhancing competitiveness.
 - To reduce the cost of doing business (i.e. cost of compliance)
 - To enhance worker and end-user safety

WORK STREAMS: REGULATORY BEST PRACTICES

- **Major Accomplishment: Development of “Principles for Best Practice Chemicals Regulation”**
- **Adopted by APEC Ministers & Leaders in 2008 as APEC's contribution to SAICM**
 - Consistent with the regulatory principles agreed by ACC
 - Stand in sharp contrast to a hazard-based regulatory approach
- **Regulatory Best Practices**
 - Document walks through purpose of regulations
 - 9 basic principles, including: A risk management approach; The minimization of impact on competition; Non-restriction of international trade flows; Compatibility with business operating environment
- **Formation of a Chemical Regulators Forum within CD**
 - Regulators Forum commenced in 2007
 - Developing a checklist for the regulatory best practices as a voluntary guidance tool for economies
 - “Case Study Workshop on the Chemicals Sector – From Principles to Practice”

WORK STREAMS: GHS IMPLEMENTATION

- **CD Objectives:**

- Adoption of UN Globally Harmonized System of Classification and Labeling of Chemicals (GHS)
- Implementation of GHS in a clear and consistent manner through active Member coordination and communication

Major Accomplishment: Adoption of the Report of the 'Virtual' Working Group "*Developing Clarity and Consistency in the Implementation of GHS*" by Ministers and Leaders

- Approved as APEC contribution to SAICM
- Contains template for Members to assess their progress with GHS implementation
- Includes list of suggested elements for Inclusion in GHS Regulation

- **Training courses:** For manufacturers, users and to raise awareness of GHS among employers and employees

- **Next Steps:**

- GHS Implementation Clearing House: GHS information database, with information on labeling, numbering of hazard categories, signal words, etc.
- Industry feedback is critical for assessing implementation

WORK STREAMS: SAICM

- **Strategic Approach to International Chemicals Management (SAICM)**
- **APEC's CD has been invited by United Nations Environment Programme (UNEP) to present at the Second session of the International Conference on Chemicals Management (ICCM2) May 11-15 2009**
 - ✓ “Principles for Best Practice Chemicals Regulation” Guideline
 - ✓ Report by the 'Virtual' Working Group on GHS Implementation on Issues entitled "Developing Clarity and Consistency in the Implementation of GHS"
- **Singapore's industry to represent the Chemical Dialogue**

WORK STREAMS: RULES OF ORIGIN

- **CD Rules of Origin (ROOs) focus areas:**
 - (1) Harmonization
 - (2) Cumulation
 - (3) Simplification
- **Support APEC's Regional Economic Integration (REI) agenda**
 - Strengthen private sector engagement
 - Development of preferential rules of origin
 - Preparatory work for a Free Trade Area of the Asia Pacific (FTAAP)
- **U.S. International Trade Commission (US ITC) will complete a study on chemical ROOs in the 32 FTAs for a few chemicals tariff lines that are widely traded in the region by June 2009**

WORK STREAMS: REACH

- **Consistent, high-level advocacy on REACH (Registration, Evaluation, and Authorisation of Chemicals)**
 - Direct advocacy efforts at ministerial level as well as by CD co-chairs to ensure REACH does not result in barriers to trade
 - APEC members have continued to discuss REACH implementation at the WTO TBT meetings
- **Protection of industry interests against potentially trade distorting effects of REACH**
 - Endorsed and transmitted a set of questions and letters on REACH implementation to the EC.
- **Next Steps: Evaluating REACH Implementation**
 - Development of survey for on REACH implementation for industries, including downstream industries and especially small and medium enterprises (SMEs)
 - Outreach to the EU, and intergovernmental forums such as October 2009 APEC SME Ministerial, on problems encountered by companies implementing REACH

INDUSTRY'S ROLE

- Why You Should Participate:

- Given the global economic situation it will be especially important to focus on improving business efficiency and reduces costs
- Industry input is critical to ensure efficient regulatory implementation
- Capacity building requires industry's help

- How You Can Participate:

- Reaching out to down stream industries and suppliers
- APEC Chemical Dialogue July 31 to August 1, 2009 –help shape the direction of the CD and recommendations to Ministers & Leaders