REACH, REACH Go Away, Come Again Another Day...

Practical issues on project managing REACH compliance

Now that the new REACH legislation is upon us and due to come into effect on June 1st, 2007, the last reasons for chemistry-using businesses prevaricating and putting off decisions any longer have evaporated to be replaced by 800 pages plus of EU legalise.

And even though pre-registration is not until June 1st, 2008, it will be a foolhardy business that leaves such a critical business activity as REACH compliance until the last minute, when the price of services, products and solutions will be at their peak due to demand and skilled resources will be as rare as hen's teeth – of which more later.

So, where do you turn to for help? Your trade association or regional cluster organisation, if you have one, is a good starting point and they can be gateways to a range of non-commercial and commercial organisations and service providers ready to help you, but the range of services that a moderate-sized business may potentially need to pull in is staggering.

The CIA's REACHReady Service Provider's web page (see inset – from **www.reachready.com/service_provider.php**) currently lists 27 legal, technical and commercial service provider categories, envisaged in total or in part as likely to be necessary to support REACH compliance.

If a business was to engage any one organisation within each of just a few categories, it soon becomes apparent that a wide range of information and data from disparate sources, as well as activities and actions, has to be successfully coordinated and managed. Failure to do so will result in businesses falling foul of REACH and ending up with significant unplanned business costs and even business failure due to unforeseen consequences of the legislation.

It therefore makes sense to start managing this information proactively and effectively in some sort of integrated IT solution from very early in the process, but with so little time available to specify, source and implement a REACH compliance management system, where do you start and where does one turn to.

Root of the Problem

At the root of the problem are the many diverse pieces of information to store on each substance, along with contextual, unstructured data, over an extended time period to be used by multi-disciplinary, or risk mitigation, teams working across departments and, in many cases, across sites.

From all this, critical business decisions will have to be made on the most up-to-date and relevant data – what information is lacking, gap analysis undertaken, and risks to the business identified such as potential non-registration and/or the need for substitution and monitored on an ongoing basis.

Technical services
- Performing scientific data searches
- Performing substance grouping, (Q)SARs and read-across services
- Conducting physico-chemical tests
- Conducting laboratory chemical identification and characterisation
- Evaluating chemical identification and characterisation data
- Performing toxicological testing
- Testing environmental effects and fate
- Assessing and compiling environmental effects and fate data packages
- Performing and reviewing environmental exposure modelling and monitoring
- Reviewing epidemiological data and health monitoring studies
- Assessing and compiling human health and exposure data
- Evaluating hazard classification and labelling
- Preparing Chemical Safety Reports
- Devising and evaluating Exposure Scenarios
- Preparing Safety Data Sheets
- Validating Registration dossier prior to Agency submission

Legal and commercial services
- Conducting searches for commercial and/or legal data
- Compiling substance use information from the supply chain
- Acting as an "Only Representative", providing third-party representation services, for example in consortia
- Providing consortia management services
- Providing legal advice on the protection of confidential business information and intellectual property
- Advising on alternative substances and substitution
- Performing socio-economic analyses
- Providing project management services
- Operational support for managing REACH compliance through IT solutions
- Advice on supply chain communications
- Advice on product defence strategies and remedies, in particular for substances of very high concern

Courtesy of REACHready

And whilst registration costs will be expensive, the greatest impact for a downstream user could well be on R&D and manufacturing, where a vital process or blending ingredient becomes unavailable and a successful product line has to have additional investment to re-formulate it.

Add to this overhead SIEF (Substance Information Exchange Forums/ Fora) – where you are banded with other users of the same substance for the purposes of a single registration and where they are as likely or not your competitors, and Consortia management. That makes an awful lot of people you are going to be communicating and coordinating actions with outside of your supply chain.

A Plan for Action

A maxim – know what you need to know and know what you don't know, as it is what you don't know and therefore can't plan for, that will surely trip your business up.

We have seen a marked change since January in our continuous day to day interaction with new enquiries. Prior to this, trying to engage with the person responsible for REACH within an organisation inevitably led to the EHS Manager, the guy that handles regulations of any sort and all sorts.

Increasingly now we engage with the REACH Regulatory Project Team – or some similar nomenclature – and its leader, who may or may not be the EHS Manager

Lesson 1 – No two ways about it, REACH compliance will be a long and bumpy road with considerable risk for some businesses. If your senior execs' are not already aware of the implications and risks posed to the business by non-compliance, they need to be made aware because you need their support, backing and commitment to carry this through.

Lesson 2 – Establish what parts of the business does REACH impact on and involve the functional heads in the review and decision making process. A typical Risk Mitigation or Issue Team might extend beyond EHS/ Regulatory to Purchasing, Manufacturing and Technical/ R&D representation. And, don't forget that your customers' engagement might best be enacted through your sales people so they need to be aware of REACH, not only the implications, but the opportunities to differentiate a "REACH-aware" business from your less-proactive competitors.

It seems that all those years of industry bodies promoting a Product Stewardship Management System approach may start to pay dividends by creating more value in the sales process.

Lesson 3 – Understand the complexity of the business:
- What is bought/imported, where and how much is used
- What is manufactured, how much and where sold

And from this, compile an inventory of raw materials and products.

Lesson 4 – Collect information on how substances are used, both your own use - for registration and communicating upstream and downstream - to manage your customers' exposure scenarios. The major challenge as I write this is the lack of information on recording exposure scenarios; information in RIPs is patchy and

Where are the Bodies?

On the issue of scarce resources, there are several initiatives throughout the country to address various aspects of REACH compliance. Besides the various helpdesks and trade association support mechanisms, you may feel that just employing someone with an understanding of REACH issues might be a worthwhile investment and safeguard your business' interests.

But, where are these multi-skilled people that would need to have a broad range of knowledge, business skills and a high level understanding of all aspects of REACH. Such individuals aren't available to pull off the streets at short notice.

One such route to address this skills shortage may be Hull University's recently established Post Graduate Certificate in REACH Management course, the first one of which starts on June 4th, 2007, outline details of which are below:

REACH Management – what you need to know for successful implementation.

The Challenge

The new European Chemicals Regulation REACH (The Registration, Evaluation, Authorisation of Chemicals) went through its second reading in the European Parliament on December 13th 2006 and comes into force on June 1st 2007. This will have an impact on not only chemical manufacturers but also chemical users, distributors and importers across the whole of the European Union. You cannot afford to ignore it!

If you want to ensure that the regulation has minimal effect on your business and that the costs of implementation are kept to a minimum, then you need to consider a new and unique course being run by the Environmental Technologies Centre of Industrial Collaboration (ETCIC) and the Faculty of Science based at the University of Hull. The course has been driven by industry needs and developed in collaboration with Humber Chemical Focus (HCF), Yorkshire Chemical Focus (YCF), the LGC, REACHReady and the Regional Development Agency, Yorkshire Forward.

The Postgraduate Certificate in Reach Management will involve four one week modules plus an industrial placement and will be delivered by leading experts in the various disciplines encompassed by the new legislation. The taught modules are:

- Module 1 - Regulatory and Project Management
- Module 2 - Testing and Data Analysis for Hazard Assessment
- Module 3 - Exposure and Environmental Risk Assessment
- Module 4 - Legal Commercial and Socio-Economic Elements of Reach

Further details can be obtained from **http://www.hull.ac.uk/ici/REACHCourse.pdf** or by phoning The Environmental Technologies Centre of Industrial Collaboration (ETCIC) directly on 01482 466940.

incomplete, but resorting to the wealth of information you have in your own COSHH system may be a good starting point and then adjusting the information in full light of further published RIP information. The European Chemicals Bureau Technical Guidance Document on Risk Assessment provides valuable information on the approach to developing exposure scenarios.

Lesson 5 – Constantly monitor your vulnerability, your raw materials availability and product supply continuity, because the viability of your business going forward depends on a forewarning sufficient to change your business direction. Whilst registration costs can be expensive, your R&D and manufacturing costs could be significant, if you find yourself without a key raw material or critical process chemical.

Lesson 6 – *Coincidental with Lesson 5, plan as early as possible*. For the customer, it's a sad fact of commercial enterprise that when resources and skills are in tight supply, the price will inevitably rise and REACH is one of those occasions where all of the available resources will become pretty scarce in a very short period of time. Remember the **Y2k computer software bean feast** at the turn of the end of the nineties, an IT consultant's bean feast. Trust me on this one, I am a consultant, I was there then and I can foresee the same happening again with REACH.

Lesson 7 – And, just when you thought you've got the corners of the tent pegged down and REACH is all tucked in nice and safely, further information, requirements or interpretation will surface. REACH is not a static proposition and is not likely to be for some time. It will change and evolve over time so make sure your resources and systems are truly flexible and adaptable as there will be nothing more constant with REACH than change

Plan for timeframes, resources and budgets as early as possible, not on June 1st 2008.

Help – I'm Drowning in Paperwork

Managing REACH compliance is going to involve an awful lot of paperwork and, in many cases, some form of IT solution is going to be required, but what sort and to what scale (= at what cost!) will it be?

In the first instance, its all about the right tools for the job and if your job is small because you have just a handful of raw materials, simple supply chains, easy reference points to get your data from, and its non-collaborative – its all on your plate to manage and you won't need to involve anyone else - then you probably have the appropriate tools somewhere close to hand. An entry level system could relatively easily be assembled using Microsoft Office components such as the MS-Excel spreadsheet and MS-Access database. A project management tool might be useful for measuring progress and monitoring deadlines, but this might as easily be done in your email client's calendar, scheduler or to do list.

To scale it up – several people involved, certainly in different departments and perhaps in different locations – brings a whole set of other issues to the table. In my view, there is not now and will not be any time soon a single integrated IT solution that encapsulates all you need to do with REACH. And by the time there could be, we'll all be a year or so down the road into REACH anyway so it will be too late.

So let's look at some of the components of a total IT solution.

First and foremost – your enterprise resource planning (ERP), supply chain software or stock system. In this you will likely have stock lines, inventories, supplier and customer details, and key information sources as part of your REACH compliance activities - who do you buy from, in what quantities, and to whom do you sell to. In some of the larger ERP systems, there may well be links to SDS, substance risk assessments and laboratory systems.

The most high profile ERP system for larger companies tends to be SAP, with Oracle, Movex and others having equivalent functionality. At the smaller end of the market, the various versions of Sage seem to have a predominant role, with other packages being available.The further down the scale you go in terms of functionality and cost, the less likely you are to have integrated features such as SDS management. But even at the SAP level, only a few of the bases are covered in terms of a total REACH compliance solution and none at all when it comes to REACH compliance project management.

Baytouch Ltd has foreseen the need for the project management tools necessary to demonstrate REACH compliance with its REACHsuite project management solution.

It is based on core elements of Baytouch's Environmental Health and Safety (EHS) management system which has been successfully deployed in chemical companies such as Huntsman, Chemtura, AH Marks, SABIC and Multisol and at locations in the UK, Europe and N America. Through collaboration with major companies such as Huntsman and others, REACHsuite currently represents the best available commercial solution for REACH compliance, and will be particularly cost effective for smaller businesses without the resources of a global corporation.

REACHsuite is available in 2 models, an on-premises implementation or a web-based model accessed over the Internet with just a browser on a cost per user per month basis that will suit many organisation types, requirements and budgets.

Further information can be obtained from **www.REACHsuite.com** and filling out a "Contact Us" form or by phoning Anita Mott at Baytouch on **01282 687005** for more information or to discuss your requirements.

And looking at some of the other areas not currently covered by "off the shelf" IT packages:

- SIEF and Consortia engagement and management, referred to earlier
- Pre-registration and Registration progress
- Supplier and Customer questionnaires and forms management
- Costs and budgets caused by REACH and disrupted business activities
- The all important schedules of Action Items and their progress as an aid to project management and controlThe expectation that any single software vendor will provide a single solution, even with the massive global resources of a SAP or Oracle, is unlikely in the near future and, regrettably, you need to start applying these solutions over the next 12 months.

So even with this patchwork of off the shelf and do it yourself solutions areas, you need an IT plan. Note to self – better co-opt the IT Manager on to the REACH Risk Mitigation Team.

In conclusion, critical factors to your success in identifying and using IT solutions to help you better manage REACH compliance hinge on:

- What you already have, in data and systems terms
- What information needs are currently not easily captured, and some are mentioned above e.g. SIEF and Consortia Management. Look out especially for contextual data and snippets of information for trends and background or, as it is sometimes called, the "watercooler" gossip
- What sort of information do you require to be able to continuously manage and review vulnerability and how will you pull it all together e.g. top 10 list of substances with potentially the greatest impact on your business – key substances unlikely to be registered/likely to be withdrawn and difficult to substitute
- What is the best way to present this information that is appropriate, timely and accurate

In essence, you need to be able to:

- ✔ Evaluate, prioritise and manage substances and products of greatest impact to your business
- ✔ Track the cost of registration and testing
- ✔ Track the cost of raw material substitution/product reformulation

And lastly, how quickly can you get this in place, because time is running out.

The potential for new "web-based" solutions is enormous. Could REACH have been implemented in times past, given the key role for IT technologies and solutions that are already part of the REACH compliance framework, such as the IUCLID 5 system? Probably not and it is to new tools, new technologies and new solutions that we must turn to address the needs of REACH compliance.

Of these, potentially the simplest but extremely powerful technology is the use of web-based systems for quick fixes:

- They are quick and easy to deploy, point your Internet browser and go
- They are often rented on a cost per user per month basis – revenue versus capital cost
- They can provide considerable business value without significant business - and IT - disruption

Web-accessed system delivery has made considerable strides in terms of profile and the breadth and range of solutions, from simple online HR management solutions, to online retail and banking, to web conferencing and my own company practices what it preaches when it comes to customer relationship management by using the Salesforce.com online package for all our sales prospects and contacts. It is cost effective and very powerful yet easy to use and is one less strategic IT system we have to manage.

Data security issues have been raised about keeping substance information and IP online and by people that regularly shop and maintain their bank accounts over the Internet and to these people, if it is a concern, then adopt an on-premises solution, there are pros and cons to both models.

But, the era of utility computing, Software as a Service, has arrived and we'll one day wonder why a suite of office productivity software cost more than the computer it ran on, and why we had to "own" software in the first place, because you don't really, you usually only have title to use the software.

Malcolm Pollard
Baytouch Ltd

LINK
www.REACHsuite.com
Tel: 01282 687005
www.reachready.com/service_provider.php

About the Author
Malcolm Pollard is the Managing Director of Baytouch Ltd, an East Lancashire-based IT solutions company that is a leading provider of client-driven business solutions. With extensive consultative experience in support of Environmental Health and Safety and real-time management systems compliance issues, Baytouch specialises in the deployment and support of web-enabled applications based on leading Intranet and Internet technologies that provide for the continuous verification of management systems compliance in real-time.

The REACHsuite solution is a first in the marketplace which has been recognised by REACHReady, the Chemicals Industries Association REACH helpdesk service, conferring it with Approved Service Provider status.