

Annual Review 2008



The Ecological and Toxicological Association
of Dyes and Organic Pigments Manufacturers



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Mission Statement

The purposes of the association are the following:

To coordinate and unify the efforts of manufacturers of synthetic organic colorants to minimize possible impacts of these products on health and the environment.

To achieve these ends by the most economic means without reducing the level of protection of health and the environment.

To encourage harmonization of health and environmental regulations in key geographical areas.

To represent the positions and interests of the manufacturers of organic colorants towards authorities, public institutions and media.

To promote responsible environmental and health risk management during manufacture, transport, use and disposal.

To enhance the recognition of the commitment of ETAD members to responsible behavior with respect to health and the environment.

Obituary

Herbert Motschi (1951-2008)



Herbert Motschi obtained his doctorate (Dr. sc. nat.) at the ETH, Zurich. After a postdoctoral sojourn at the Iowa State University, Ames, USA, he worked for four years at the Swiss Federal Institute for Water Resources and Water Pollution Control (EAWAG) before joining Ciba-Geigy, Basel, in 1985. His career at Ciba-Geigy in the Dyestuffs and Chemicals Division gave him experience in product safety and regulatory affairs. With this background he was ideally qualified for his appointment as Deputy Executive Director of ETAD in 1991. This was a period of rapid change in the colorants industry with the decline of its dominance by the European manufacturers.

ETAD had to adjust to these changes and Herbert, with his clear thinking, powers of persuasion and resoluteness played a major part in the necessary transformation of ETAD to meet the needs of the approaching new millennium (computer technology, wider spectrum of international activities etc.). In 2004 Herbert was appointed ETAD Executive Director and, whilst maintaining the ETAD ethos, he was able to leave his personal stamp on its activities and enhance its reputation.

Sadly, a brain tumour ended his fully active career in 2006. He fought on bravely but finally succumbed to the disease on 14 November 2008.

Herbert was widely respected for his competence, straight-talking and good humour by his many colleagues and friends. He is survived by his wife, Irina, and their two young daughters, Evelyn and Lisa.

Preface from the President



Dr. Davor Bedekovic
Huntsman Materials
and Effects
(Schweiz) GmbH

In the last years, the REACH regulation and preregistration process has been a prominent discussion and work topic for our member companies.

The deadline for preregistration, December 1st 2008, passed by and the preparation of registration dossiers is now on the way – all requiring high level of resources and time from all of us. Pre-SIEFS are being formed and many open questions on collaboration and financing will need to be resolved soon. REACH as a program for the next ten years will bundle considerable money and human power, and will require further tight financial control and portfolio planning. Nevertheless, REACH is also a further chance for responsible and sustainable chemical companies to clean their portfolios, focus on profitable growth and initiate replacement of substances of very high concern – all targets which are already part of ETAD members' purposes. This only confirms that ETAD's code of ethics is the right way into the sustainable future.

Thus, REACH was the focus in our committees, and the especially created working groups did an excellent job which is a real benefit for our member companies. The REACH working group of the European Operating Committee has evaluated the process of a trial registration for a model substance, C.I. Disperse Orange 30, and started the compilation of use categories and exposure scenarios with the goal of creating templates which can later be used by ETAD companies producing dyes. This task will be continued in 2009.

The REACH working group of the Pigment Operating Committee have successfully worked out a model contract for forming consortia. The working group has also addressed the important topic of substance definition and grouping of pigments.

Last year has also seen a high level ETAD activity in Asia, aimed to strengthen our Indian Operating Committee and building our Chinese presence through revitalizing the Chinese Operating Committee. We all know the growing importance of Asian countries but should not underestimate difficulties in developing these regional committees to represent effectively the ETAD philosophy. It will take time and need effort from all of us to build an effective international association in these regions.

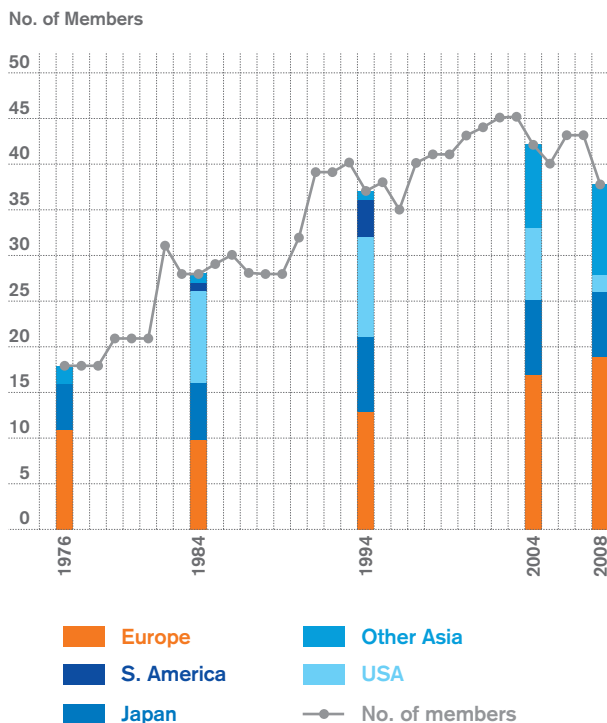
The Regulatory Affairs committee has updated the ETAD guidance document to include the latest status of GHS. Recommendations for labelling colorants are given in the relevant chapters. Beside REACH the committee did not forget screening other chemical regulations which might have an impact on the colorant industry.

Despite all the achievements of the last years, there is still a lot to be done and ETAD is more important than ever before. Macroeconomic indicators predict a harsh year coming upon our industries. We have seen a formidable financial crisis which also had a strong impact on the building and automotive sector; all these developments are making also our coloured business more complicated. I realize that it will take a good deal of determination to keep the focus on ETAD values, but this is the most promising way into the sustainable future and also a chance to differentiate between responsible care companies and the rest. The challenge will be to achieve sustainable balance between economic constraints and environmental protection.

Sadly, last year was also marked by the loss after long illness of Herbert Motschi, our Executive Director. He was a great person and a good friend with an exceptional personality, who considerably formed today's ETAD organisation. We will keep him in our memory.

Membership

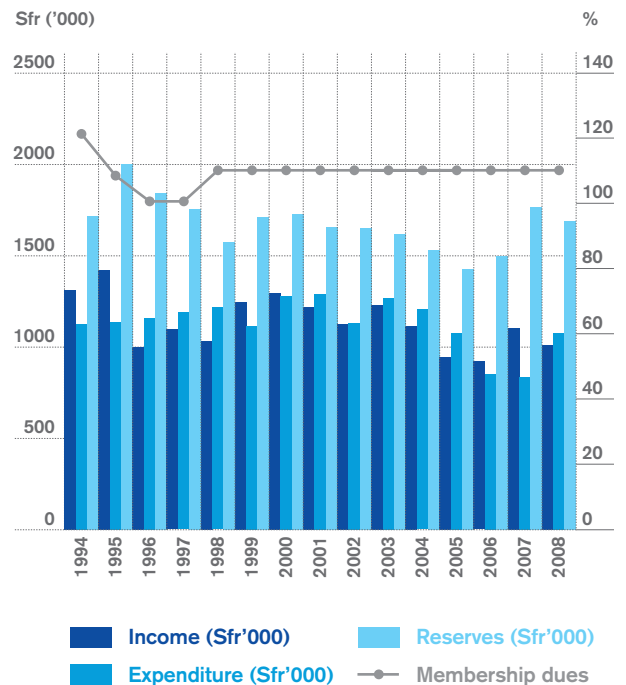
Growth and changing regional composition of the ETAD membership



Kemira resigned its membership effective December 31, 2008. As of January 1, 2008 ETAD North America membership has been transferred to a global ETAD membership. Multinational members are now represented by their parent companies.

Finance

Summary of Income / Expenditure 1994 - 2008 (including ETAD North America from 2008 on)



ETAD is a non-profit association. The operating expenses are recovered mainly by means of payments by the ETAD members. In 2008, total income was SFr. 1.00 million compared with total expenditure of SFr. 1.07 million, resulting in a loss of SFr. 69'563.69.

In January 2008, the ETAD North America office has started to operate as an extension of the ETAD Secretariat in Basel. Their accounts have been merged to those of the global organization which is funding all future ETAD North America activities.





34th General Assembly

The 34th Ordinary General Assembly of ETAD was held in the Saint James & Albany Hotel, Paris on May 20th, 2008 commencing at 13.00 hr. The President, Dr. Bedekovic, opened the proceedings by welcoming the attendees to the 34th anniversary meeting.

Out of the ETAD membership of 39 companies, 24 were present or represented by proxy. Of the total vote entitlement of 88 votes, 69 votes were represented at the meeting.

The minutes of the 33rd Ordinary General Assembly 2007 and the Annual Report 2007 were approved unanimously. The General Assembly also approved unanimously the report of the Treasurer and chartered accountants (PricewaterhouseCoopers AG) and the budget for 2008, as presented by Dr. Coy. Due to the financial situation it was possible to avoid any increase in membership costs for the twelfth successive year. Dr. Helmes presented the accounts for ETAD North America and its budget for 2008.

As is customary, the Board proposal for its composition for 2007/2008 was presented to the Assembly. There were no additional nominations in response to the invitation by ETAD Legal Counsel, Dr. Uebersax. The Board was elected unanimously as follows:

Dr. Davor Bedekovic
Huntsman Materials & Effects
(Schweiz) GmbH
President

Dr. Ulrich Ott
Clariant International Ltd.
Vice president

Dr. Bernd Hochstein
Ciba Inc.
Treasurer

Dr. Ilesh Bidd
FUJIFILM Imaging Colorants Ltd.

Mr. Guillaume Legay
Toyo Ink Europe Specialty Chemicals

Mr. Ravi Kapoor
Heubach Colour Pvt. Ltd.

Mr. Steve Liu
Sun Chemical Corporation

Dr. Sören Hildebrandt
BASF AG

Mr. Yoshimi Yamada
Huntsman Japan KK

Mr. Peter Krummeck
Sun Chemical Corporation

Dr. Bedekovic concluded the session remarking upon the role of ETAD as a reliable reference for ecological and toxicological issues. A more intensive contact with non-European countries is required in order to extend this position. In particular India was recognised as a special focus of interest for ETAD and a key area for future activities of the association.

In connection with the General Assembly a seminar on current issues and topics of interest for the European industry was held, at which the following presentations were made:

Activities in the Supply Chain

Sean Cady (Levi Strauss & Co.)
Chemical restriction in the supply chain

Dr. Brigitte Dero (CEFIC)
Addressing deselection of chemicals

REACH

Mark Meesters (REACH Centrum)
Consortia management

New Trends

Daniel Gronier (Toyo Ink)
Vegetal chemistry: Dream or reality?

European Operating Committee (EOC)

During the year 2008 the EOC has increased its activities on the imminent REACH legislation, while at the same time dealing with other important changes in the existing standards and regulations. As described in detail in the following sections, a key point of all activities has been the collaboration between ETAD and various other associations, in order to harmonize efforts and achieve common goals in an easier and more effective way.

REACH

The first deadline under REACH, i.e. the preregistration by December 2008, rendered this subject to be the highest priority. In order to facilitate the implementation the EOC has created a work group to specifically tackle the problems of compliance with the regulation. Exposure scenarios and use descriptions are currently in the process of being developed in this work group.

In the EOC the sharing of experience with the various offerings of IT services and tools for REACH presented the member companies with a valuable summary of their benefits and hence with a optimized resource allocation proposals. Moreover, a constant update on the news from ECHA enabled the EOC to share the interpretation of the REACH wording into applicable terminology. Adequate procedures to comply with REACH were developed such that a common strategy for handling the requirements ensures that consistent information will be presented to ECHA from the ETAD member companies. In that context the usage of standard phrases to respond to authorities were discussed together with the VCI.

Retailer labels

Beside the regulatory authorities, global retailers and institutions are the second most important interest group the EHS departments of the ETAD member companies have to respond to. The EOC has established a close monitoring of the developments in that field and a very efficient information interchange among its members. Special interests of this year were:

- the short notice for implementation of the new GOTS standard and the inconsistent testing condition of the test institutions, which was opposed in strong cooperation with the TEGEWA, such that a joint position could be presented from both associations.
-
- the contacts to the AFIRM group, which have been intensified in order to achieve a better influence on the harmonization process of their restricted substance lists.

GHS

Within the EU the implementation of GHS takes place in parallel to the REACH regulation. Since GHS is put into force on a global scale in very diverging speed depending on the single countries' implementation plan, EOC closely monitors the process in order to determine the best resource priorities in the member companies.

ETAD and IVDK

The intensive relationship management with the IVDK enabled the EOC to achieve the agreement to a joint project to evaluate in more detail the field of contact dermatitis. In that respect the outline of a study concept was presented, based on the frame of the Maibach/Hatch project. ETAD's participation will allow to profit from past experience not only as regards the analytical part of the project, but also in the interpretation of the obtained results, which will be discussed by experts of both associations.



Pigments Operating Committee (POC)

The effects on the pigments industry from the increasing demands of international legislations, standardisation committees and downstream user associations took the centre stage of work of the ETAD POC in 2008.

Besides the activities for the “Canadian Challenge Program”, which aims to manage the risks of chemicals (with the potential of deletions from the DSL inventory), special attention was paid to the aerospace industry targeted list. This list considered to ban the use of C.I. Pigment Yellow 13, C.I. Pigment Yellow 14, C.I. Pigment Yellow 83 and C.I. Pigment Orange 13 in future projects as PBT/vPvB substances, although, following ETAD input, these pigments had already been delisted by the PBT subgroup of the Technical Committee of New and Existing Substances (TC/NES; a working group of the European Commission).

Also in the focus was a ban on halogenated pigments by the Nordic Ecolabel Swan together with misleading AOX-limits fixed in the updated GOTS standard of the Textile Industry. POC is currently trying to find a more direct contact with these associations and possibly improve the communication about new introductions or amendments in their standards.

Important topics in the domain of food contact applications and toys were:

- **PIRA / FSA project investigating the influence of plastic additives on the migration of colorants from food contact plastics into food simulants**

POC members have provided pigments for this project and the ETAD secretariat together with member companies has supported PIRA in interpreting the analytical results. An additional objective of this study is also a comparison of the migration of colorants sourced from Asia with those from traditional suppliers.

- **Printing Inks for the non-food contact side of food packaging**

POC supported EUPIA (European Printing Ink Association) in updating their inventory in regard to additives used in pigment preparations. This inventory will be included in the Swiss ordinance on materials and articles in contact with food (applicable from April 2010).

- **Resolution on the proposal for a directive on the safety of toys 2008/0018/COD**

The Committee concern is the introduction of new and more stringent limits for heavy metals and other substances, which might require new or improved analytical methods and a new strategy to deal with customers' requests. Currently the members are assessing the impact of these new limits.

- **Revision of Annex A of Toys Standard EN 71-7 (Finger-paints)**

It is a big success that for the update EN 71-7 ETAD has been invited by the European Committee of standardization (CEN) to write the chapter addressing colorants used in finger paints. The objective is to waive a positive list for colorants but to introduce purity criteria with defined threshold limits for impurities.

The work of the Analytical Group and the REACH subgroup in 2008 was focussed on the on-going topics:

- **PBT/vPvB**

The methods for octanol and water solubility according to the OECD 105 format have been written up as a proposal for a new OECD method. An update of existing K_{ow} QSAR models for the group of organic pigments will be done once the method has been validated with model substances of known K_{ow} like anthracene, hexachlorobenzene and 2,3-dichloroaniline.

- **Primary Aromatic Amines (PAA)**

The development of a new, less resource-demanding test method for the determination of extractable primary aromatic amines in pigments continued in 2008 with model substances Pigment Red 112 and Pigment Yellow 12. The analytical team worked on the issues of reproducibility and recovery rates, which are now almost solved.

- **REACH**

The trial consortium for Pigment Red 112, formed in November 2006, finalized its work in May 2008. During this preparatory phase in the framework of the ETAD Committee substantial experience was gathered in refinements of existing model consortium agreements, data gap analyses, cost allocation schemes, substance definition of organic pigments and toxicity assessments.

In the second half of 2008 some member companies decided to apply the gained experience outside ETAD and, together with a few other companies, successfully initiated the formation of the first Organic Pigment Consortia covering the groups of copper phthalocyanines, diarylides, metal lakes, quinacridones as well as three single pigments (C.I. Pigment Yellow 74, C.I. Pigment Red 112 and C.I. Pigment Violet 23). Consortia contracts are to be signed in February 2009.

Regulatory Affairs Committee (RAC)

The Regulatory Affairs Committee (RAC) is composed of experts who are responsible within their companies for aspects of world-wide regulatory compliance.

Throughout 2008, six ETAD member company representatives participated in the RAC.

The role of the Regulatory Affairs Committee (RAC) continues to grow in importance and scope. The RAC's key remits are:

- Monitoring world-wide developments of chemical control regulations.
- Ensuring awareness of new regulatory requirements among member companies.
- Providing advice on interpretation of the regulatory requirements.
- Assessing the potential impact on the colorants industry.

Individual RAC members are also allocated the responsibility to report on specific countries. This remains a valuable contribution to world-wide regulatory status.

New and updated regulations

The Committee discussed during the year any modification in the existing regulations worldwide which could affect the colorant industry. Important changes were reported for the following countries:

China officially released the List "Hygienic Standards for Uses of Additives in Food Container and Packaging Materials" (GB 9685).

In Japan future revisions of existing regulations have been announced:

- Review and revision of the Pollutant Release and Transfer Register/MSDS law
- Interim Assessment of Japan High Production Volume Challenge Program
- Review and Revision of the Chemical Substances Control Law (CSCL), scheduled for 2009

In Korea the Toxic Chemical Control Act (Law No 7279) was revised at the end of December 2005, but some of the provisions came into effect first in January 2007. Under the amended law, each importer is required to submit a "Confirmation Report of Chemical Substance" form for each individual chemical product (single substance, preparation and for each trade name) to the Korea Chemicals Management Association (KCMA) prior to importation to Korea.

The Swiss ordinance on materials and articles in contact with food (BGVO) was officially released. Depending on the end use article, the ordinance specifies concentration limits for critical substances or includes lists of allowed components and additives.

The United States, Canada and Mexico, in a trilateral agreement (the Montebello Agreement), set out a plan to coordinate risk assessment and risk management activities across North America, building on work done under the Canadian Chemicals Management Plan and the U.S. EPA High Production Volume (HPV) Chemical Challenge. After conducting risk characterizations of the HPV chemicals, EPA announced it will turn its attention to moderate production volume (MPV) chemicals. The goal of the agreement is to enhance trade among the three countries, while ensuring protection of human health and the environment and retaining sovereignty.

REACH

The REACH pre-registration phase, which closed on December, 1st 2008, showed that even the relatively simple process of submitting an inventory of substances was more cumbersome and pressured than most expected beforehand. The next stages of REACH are several orders of magnitude more complex than preregistration – with SIEF's , supplier and customer relationships all requiring managing, alongside the highly technical and extensive task of assembling full registration dossiers.

RAC generated an excel matrix of open questions regularly updated by RAC members, as information becomes available. This is invaluable as new questions and queries arise in the understanding and appreciation of the minutiae in the REACH Regulation.

Additionally, the ETAD REACH Working Group held meetings throughout 2008 and continues to serve both dye and organic pigment manufacturers, in addressing common questions on toxicology and ecotoxicology.

Globally Harmonised System (GHS)

Classification and Labelling of Chemicals

Since GHS allows a stepwise implementation based on its “building blocks” structure, there is a constant need of updates about the actual situation in different countries. Therefore, the committee collected and shared information on the implementation of GHS worldwide, in order to provide ETAD members with a precise timeframe for their C&L adaptation. Furthermore, to better understand the practical impact of GHS on industry, RAC also organized a 2-days meeting focused on the explication of the different GHS modules and their application to actual cases of specific products.

ETAD Guidance Document Update

The development of both REACH and GHS came to the point where necessary changes have to be introduced in the ETAD Guidance.

The revision addressed in particular the changes in legislation associated with REACH and GHS, while at the same time taking into account the transition period between the current C&L legislation and the final GHS classification. For these reasons the changes in the Guidance still reported the existing legislation, while at the same time describing the GHS implementation process separately and referring to it when needed. A complete revision of the Guidance will be performed as soon as the GHS implementation is completed.

The revised version of the Guidance Document was adopted by the RAC in April 2008.

Japanese Operating Committee (JOC)

The Japanese Operating Committee (JOC) consists of representatives from six ETAD member companies (three Japanese dye manufacturers and three European subsidiaries in Japan). During 2008 the JOC has focused mainly on issues affecting the textile industry but it has also cooperated with the organic pigment sectors.

Although there were no new major regulatory developments in 2008 concerning health or environmental aspects of the organic colorants industry, some issues carried over from the previous year have required further attention.

The main issues dealt with by the JOC are summarized as follows:

1 Trace contaminants in some organic colorants

The problems of trace of unintentional contaminants in some organic colorants – dioxin in certain disperse dyes, hexachlorobenzene (HCB) in some organic pigments – was an important topic also in 2008. Effort has concentrated on confirming the actual levels of contamination and where possible reducing them.

Currently, the authorities have set maximum contamination levels for HCB in specific chemicals such as TCPA and its derived pigments and chlorinated phthalocyanine pigments. Manufacturers and importers have already informed the authorities about contamination levels and measures for reduction.

On the other hand, no specific contaminant levels of dioxins were set for the final products and textile goods. Nevertheless the authorities and JOC believe that the measures taken have reduced the contamination to minimal levels which are safe for downstream users, retailers and consumers of textiles.

The authorities will issue guidance documents in case further contaminants have to be notified in the future.

2 Safety quality standards for the final textile finished goods

Discussions were initiated in early 2008 to develop safety standards for textile goods because of concerns that the regulations for consumer goods were insufficient to protect consumers from various risks attributed to consumer textiles. The authorities, industry associations, testing institutes and other interested parties established several discussion and working groups to propose appropriate standards, taking into consideration the restricted chemicals lists and standards already established in the European Union under several Directives, together with the various non-regulatory standards (notably the Oeko-Tex 100 standard). The main discussion topics were azo dyes which form carcinogenic aromatic amines on reductive cleavage and some dyes which can cause allergic contact dermatitis.

It is expected that this project will be completed in the first quarter of 2009.

JOC supports the establishment of such standards as a means of responding to consumer concerns about textile product safety and in enabling the downstream industries to strengthen their competitiveness by differentiating high quality products which conform to reasonable and workable standards.

3 Globally Harmonised System (GHS)

The GHS classification, specified by the Industrial Safety and Health Law in 2006, allowed a transition period for implementation until the end of October, 2008. Distribution of SDS and labelling are compulsory for any products containing specified listed chemicals. No further developments have been observed.

4 EU REACH regulation

All member companies have already been involved in implementing the preregistration requirements of the REACH regulations. Although JOC has been concerned to ensure that the REACH requirements are met, they have not been involved directly as responsibility for compliance lies with their EU-based representative.

5 Other legislative developments

Revisions of the Pollutant Release and Transfer Register (PRTR) Law, after seven years, and of the Japanese Chemical Substance Control Law, after 5 years, fall due in 2009. Discussion of the revision of these laws commenced in 2008 and in the last half of the year it was agreed that they would be amended in line with the policy framework for implementation of the Strategic Approach to International Chemicals Management (SAICM).

For the PRTR law, the revised chemical list was issued in November 2008 and distribution of the safety data sheets for listed chemicals and their mixtures in the revised law will be required from October 2009. The reporting scheme requiring the estimation of quantities released or transferred will commence from 2011. Until then companies have to report in accordance with the old scheme.

For the Chemical Substance Control Law, the proposed bill to amend the law will be submitted to the Parliament at its next ordinary meeting in 2009. The main idea is to introduce a risk-based concept into the management of chemicals, and to establish a reporting scheme of manufactured and/or imported quantities and use-categories. All manufacturers and importers must report the annual quantities manufactured and/or imported if the quantities exceed certain specified levels.

The competent authorities have to make preliminary risk assessments based on the limited information available (potential hazards, estimated exposures, total quantities and use-category information). If chemicals are concluded to pose substantial risks, the collection of the necessary information to refine the risk assessment will need to be provided by the industries involved. Further details are not yet available.

The JOC welcomes the shift to the risk-based approach rather than the current hazard-based one, although there is still some concern that a too conservative approach could encourage overly stringent restriction of chemicals use.

The North American operation of ETAD continued to focus on core activities during 2008 as the market for the dyes manufacturing business remained slow. With emphasis on networking, information exchange, and tracking industry and regulatory developments in the U.S. and Canada, the members held three conference calls and one face to face meeting during the year. This approach allowed ETAD to maintain its presence in North America while at the same time operating at minimal costs to reflect current economics in the industry.

Regulatory Developments in the United States

ETAD North America monitored the following regulatory issues in 2008 for potential impact on the dye manufacturing industry:

- Chemical Assessment and Management Program (ChAMP). EPA's program, announced in March 2008, completes assessment of the High Production Volume (HPV) chemicals and initiates a hazard assessment of Medium Production Volume (MPV) chemicals. EPA later expanded the scope of ChAMP to include resetting the TSCA Inventory and adding an inorganic HPV component. Many see ChAMP as an alternative to REACH.
- California Proposition 65. During 2008 California proposed regulatory levels posing no significant risk for C. I. Direct Blue 218 (50µg/day), based on NTP studies, and listed anthraquinone.
- U.S. Chemical Site Security regulation. The Department of Homeland Security (DHS) released a preliminary list of more than 200 facilities considered at highest risk for potential terrorist attack. The listed facilities must complete a more detailed security and vulnerability assessment which DHS will use to make a final priority ranking and to dictate specific security measures for each high risk facility.
- Clean Air Act. EPA issued proposed standards to regulate air emissions of certain urban hazardous air pollutants (HAPs) from area source chemical manufacturing sites (< 10 tons/year individual or < 25 tons/year combined HAP emissions). ETAD developed comments on the proposed standards to argue that dye manufacturing should not be included because of only limited use in dye synthesis of any of the listed HAPs.
- Globally Harmonized System for Classification and Labelling. Labelling. OSHA failed to meet its goal of issuing a final GHS rule by the end of 2008.
- California Initiatives. The State of California has established a Green Chemistry Initiative that creates a toxics information clearing house and allows the State's Department of Toxic Substances Control to identify and prioritize chemicals of concern beginning in 2011.

Canada

Under Canada's Chemicals Management Plan the authorities have now published seven priority batch lists of highest priority substances identified in the categorization and screening of the Domestic Substances List (DSL). For each batch of chemicals manufacturers and importers have six months to submit hazard assessment and exposure information which would be pertinent to subsequent screening risk assessments leading to recommended management and control steps. ETAD has submitted additional information, including aquatic toxicity and environmental modelling, on a number of the dyes included in the DSL priority batches.

Environment

ETAD continued its participation in a voluntary effort to develop a standard under the auspices of the American National Standards Institute (ANSI) for the manufacture of sustainable textiles. Further draft standards have been circulated for review and comment in anticipation of submitting a final draft to vote in 2009.

Members also initiated collaboration with the National Textile Association to revise and update the Voluntary Product Environmental Profile (VPEP) originally developed by the American Textile Manufacturers Institute (ATMI). Current textile customers still require the VPEP from their dye suppliers.

Chemical Testing

ETAD North America continued to stay abreast of developments concerning REACH and provided information to members where appropriate to help in their planning and preparation process.

No significant developments concerning dyes appeared in any of the various biomonitoring programs as ETAD continued to monitor the subject. Similarly, ETAD has continued monitoring developments in the EPA endocrine disruptor screening program where so far no screening has begun.

The HPV orphan chemical TSCA Section 4 test rule requirements for C. I. Solvent Black 7 were satisfied by an independent consortium that included some ETAD member companies. A second HPV test rule, proposed by EPA in July, contained the dye Sulfur Black 1.

Residual Dyes in Containers

North American members began exploring the feasibility of determining residual levels of dyes remaining in empty drums. The objective would be to supply EPA with actual data to use instead of default values when evaluating PMN applications. Members plan to ask selected customers for their cooperation in obtaining representative samples.

Brazilian Operating Committee (BROC)

Textile industry

The year 2008 was another difficult year for the Brazilian textile activities. Further strong increase of imports of garment and finished material from Asia, mainly from China, contributed that the trade balance resulted in a deficit of more than 1 Billion USD, which corresponds to an increase of more than 40% compared with previous year.

Also the import of dyes for textile and leather from China and India showed a substantial growth and influenced the production of dyes in Brazil negatively.

The regional environmental requirements show a further trend to be more severe and especially in urban areas the industries require products and processes which contribute to improve effluent generation and quality in order to comply with the legislation. For 2009 the Brazilian Government expects to introduce a new legislation on solid residues, which is presently under preparation under the project No. 326.

In the last weeks of this year the local currency suffered a substantial devaluation against US-Dollar, which will make the exports more competitive and might contribute to recover lost business in export markets. The Brazilian textile Industry is well prepared to supply products according to the standards required by the major target markets.

Pigments

The year 2008 was an excellent year for organic pigments, thanks to a series of concomitant factors. From a legislative point of view, the introduction of a law limiting the use of inorganic pigments based on heavy metals used in coatings caused a larger demand for organic pigments. Industrial paints used in agricultural tools proved a significant growth as well as inks used in newspaper, magazines and packaging. The plastics sector also experienced a positive trend, even though less pronounced.

Furthermore, in Brazil the automobile industry grew 25% and this caused a larger demand of the high performance pigments. An additional factor which contributed to this positive result was the new trend for bright colours on the cars as a marketing element.

Finally, the architectural paints industry profited from a larger credit disposal, which resulted in a growth of 17%, what obviously demanded larger quantities of organic pigments.

Chinese Operating Committee (CHOC)

**In December 2008
the chairmanship
of the Chinese Operating
Committee was handed
over to Mr. Zhao Qingxuan.**

In 2008, the CHOC focused its activities on supporting ETAD in establishing a stronger presence in China. The constantly growing importance of this world region both as producer and as consumer of colorants cannot be overlooked; therefore, it is crucial to look for colorant manufacturers who might be eligible to become members of ETAD. CHOC can assist ETAD in this purpose thanks to the possibility of a more direct contact with the local manufacturers.

Furthermore, in order to gain new members, it is a special role of CHOC to present ETAD to the possible candidates. Even though ETAD has already had numerous contacts and even collaborations with Chinese authorities, a different and specific approach is required for the actors in the supply chain. As members of the supply chain themselves, CHOC members can explain the benefits of ETAD membership for companies.

To enhance the possibility of Chinese companies to come in contact to ETAD, CHOC will also take care of the translation into Chinese of the contents of the updated ETAD website, and use it as a further tool to promote the association among the Chinese dye and organic pigment manufacturers.

Indian Operating Committee (IOC)

The activities of ETAD IOC commenced in full earnest in the year 2008. A number of key decisions started the launch of activities:

- The IOC had its 1st meeting on 23rd February 2008, that was attended by most of the members. A way forward strategy was devised and priorities drawn up, the first of which is a proper networking with Government authorities. In particular it was highlighted that the norms laid by the Bureau of Indian standards are outdated and a full study needs to be commissioned on a comparative basis with international norms.
- It was decided in the board meeting held at Paris in May 2008 that the IOC would start a fully fledged office with a functioning secretariat in Baroda, Gujarat, India. This is essential as India, being a dominant player in the colorant industry, needs to have an intensive effort backed by a reasonable infrastructure. Accordingly an "in-principle" sanction was given to IOC to register ETAD IOC in India and rent premises for the same. Mr. Kapoor appointed a lawyer to attend to the registration formalities, which should be finished by end February 2009. In the meantime the IOC office activities were started in the existing Indian Chemical Council's premises on a temporary basis. A few candidates for the secretariat have also been identified and this would be finalized by end 1st quarter 2009.

- The second IOC meeting was held in 19th July 2008. Mr. Ravi Kapoor, Chairman of the Committee, briefed the other members on the General Assembly that he attended in Paris in May 2008 and informed the committee of the growing realization of the international board on importance of India to be inducted into mainstream ETAD activities. During this meeting it was also decided that a subcommittee under Dr. Nabar (Clariant), Dr. Desai (Colourtext) and Dr. Rahman (Atul) would prepare a presentation for the Indian authorities, in order to show the Indian context from the point of view of ETAD's principal issues.

Mr. Kapoor suggested during the meeting that all members of IOC ETAD should volunteer for "Responsible Care" program, which has been conducted by the Indian Chemical Council, in case they were not already doing so. Heubach India volunteered to start this initiative.

- A number of tie ups and cooperations were intensified or entered into in the year 2008 with members of various associate organizations:
 - Indian Chemical Council
 - Dyes Manufacturers Association of India
 - Indian Paint Association
 - All India Printing Ink Manufacturers Association
 - All India Plastic Manufacturers Association.

From the ETAD perspective this would ensure availability of future members.

- It was agreed with publishers of Chemical Weekly, Colourage and Paint India, that commencing 2009 the IOC would contribute articles in their various magazines on a monthly basis. This would ensure recognition of ETAD amongst colorant manufacturers and downstream users.
- Tie up with Informex India 2009 to participate in their seminar to be held 12th-14th March 2009 at Ahmedabad, Gujarat, India. Here the IOC would chair a session and make a presentation of its activities as well as provide a global scenario to the audience consisting mainly of colorant manufacturers and users.
- Mr. Ravi Kapoor met Dr. Davor Bedekovic and Dr. Walther Hofherr on 2nd December 2008 at the ETAD headquarters in Basel. The topics discussed were:
 - Clarification on the IOC structure for registration purpose
 - Organization of a board meeting in March 2009 in India. Mr. Kapoor informed that this event will be a 2-day event with one session reserved for a seminar on the colorant industry in India where ETAD would be the main organizer. The seminar will be co-hosted by publishers of colorant related publications. Participating bodies would be the Indian Chemical Council and the DMAI. Members of paint association, plastic association and ink association would actively participate.

Activities & Information

Information notices

ETAD Information Notice No 6

(rev. 2008) The restrictions on the marketing and use of azo colourants according to the European legislation following the Directive 2002/61/EC (19th Amendment of Council Directive 76/769/EEC) (February 2008)

Presentations

P. Fois:

“Contact Allergy from Dyed Textiles” at BfR Meeting of the Committee “Textiles und Leather” on 9th of December 2008 in Berlin

Meetings with other organizations and downstream users

Meeting with the European Committee of standardization (CEN) in June 2008

It is big success that for the update of EN 71-7 standard ETAD has been invited to write the chapter addressing colorants used in finger paints. The objective is to improve the safety of finger paints by the introduction of purity criteria with defined threshold limits for impurities (by colorant class) rather than having a positive list where only a generic colorant identification is given.

Two Meetings with Unilever in February and October 2008

ETAD secretariat assists Unilever's safety experts drafting a chemical standard regarding a specification of purity requirements for colorants used in personal and home care products.

Two meetings with IFOP in January and May 2008

ETAD secretariat and member companies meet with experts from the textile colorant suppliers to discuss the release of (3,3 – Dichlorobenzidine) from Combinations of C.I. Pigment Orange 13 and/or C.I. Pigment Orange 34 with C.I. Pigment Black 7.



Board of Directors 2008/2009

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Everlight USA, Inc.
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United Color Manufacturing, Inc.

* Representative of Japanese
Operating Committee of ETAD

** These lists give membership
as in March 2009

Chinese Operating Committee

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Mr. Chen Ho-Ming	Everlight International Warehousing Trading (China) Co. Ltd.
Mr. Steve Liu	Sun Chemical Corp.
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Mr. Zhao Qing Xuan	Clariant (China) Ltd.
Mr. Yang Shujun	Clariant (Tianjin) Ltd.

Japanese Operating Committee

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Mr. Hiroji Tsumura	DyStar Japan Ltd.
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Mr. Ravi Kapoor	Heubach Colour Pvt. Ltd.
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Dr. U. T. Nabar	Clariant Chemicals (India) Ltd.
Mr. V. Potti	Huntsman International (India) Pvt. Ltd.
Dr. M. U. Rahman	Atul Ltd.

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Dr. Hans-Rudolf Uebersax
ETAD Legal Counsel

Code of Ethics



The aim of ETAD is to minimize possible negative effects on health and the environment arising from manufacture and use of synthetic organic colorants and to ensure information on the best practicable protection is provided to the purchasers of these products.

To achieve this goal and to promote the image of a responsible and safety minded manufacturing industry, it is necessary that in all aspects related to human and environmental safety, members be encouraged to adhere worldwide to a high ethical standard.

Therefore, at the proposal of the Board, the General Assembly of ETAD approves this Code of Ethics as a key policy of the Association. All ETAD member companies are obliged to comply with this Code of Ethics.

1 Principles of responsible care

ETAD members are committed to support a continuing effort to improve the industry's responsible management of synthetic organic colorants. Members shall develop, produce and distribute products in a responsible manner which protects human health and the environment from unacceptable risks during manufacture, transport, use and disposal. Specifically, members shall implement a responsible care program in which the member undertakes to manage its business in accordance with the following principles:

- To recognize and respond to any community concerns about synthetic organic colorants and its manufacturing operations;
- To produce only synthetic organic colorants that can be manufactured, transported, used and disposed of safely;
- To make health, safety, employee training, quality assurance and environmental considerations a priority in planning for all products and processes;
- To provide employees, distributors and customers information on the health or environmental effects of synthetic organic colorants and recommend appropriate protective measures to ensure their safe use, transportation and disposal;
- To operate all facilities in a manner that protects the environment and the health and safety of employees and the public;
- To promote research on the health, safety and environmental effects of its products, processes and waste materials;
- To cooperate with public authorities in establishing well-founded environmental, safety and health regulations; and
- To promote these principles of responsible care to others who produce, handle, use, transport or dispose of synthetic organic colorants.

The responsible care program shall fulfil, but not be limited to, the specific obligations described under paragraphs 2-5 below.

2 Product Safety Policy

It is the policy of ETAD members to take all reasonably practicable steps in order to ensure human and environmental safety in the use of the dyestuffs and organic pigments (synthetic organic colorants), manufactured or distributed by them. Members shall comply worldwide with all applicable laws and regulatory requirements dealing with the safety and the environmental impact of synthetic organic colorants.

ETAD recognizes that the legal requirements for hazard communication differ considerably in various regions where organic colorants are marketed. A primary objective of this Code of Ethics is to ensure that such differences do not deprive customers in countries with less stringent requirements of hazard information which is made available to their counterparts in countries with more comprehensive regulations. To achieve a common high standard of hazard communication ETAD members shall:

- fully inform all customers about all known significant hazards;
- adopt policies to assure an equivalent level of hazard communication worldwide concerning their product.

3 Products Safety Information

1 Safety Data Sheets

Member companies shall ensure that for each of the synthetic organic colorants on their selling range, there is a safety data sheet with appropriate information content and that it is supplied to all customers.

2 Labelling

The EU regulations provide an appropriate basis for classification and labelling of organic colorants.

Where the laws of the country the products are sold to, require more stringent or mandate different labelling, the members shall adhere to such required or mandated labelling. In countries with less stringent requirements the labelling shall be in accordance with the EU system or an equivalent consistent with the policy of achieving a uniformly high standard of hazard communication.

3 Education and Awareness Programs

ETAD members shall endeavour to inform customers of the safe handling procedures best suited to the products involved.

4 Cessation of manufacture and sale of certain hazardous colorants

The manufacture and sale of certain dyes identified as hazardous by regulation or classification by expert bodies is incompatible with ETAD membership. These dyes are referred to in Annexes A and B.

5 Compliance

Member companies shall comply with the Code of Ethics and shall make every effort to ensure that their subsidiaries do so.

Annex A

Azo dyes or preparations of azo dyes used in consumer applications, which contain, or release by reductive cleavage of azo bonds to any of the specified amines*.

Annex B

Individual Dyestuffs*

* The corresponding amines and dyes are listed with the applicable limit values in "Guidance to ETAD Member Companies on the Implementation of the Code of Ethics" which is regularly updated to the current state of scientific knowledge.

Benefits of ETAD Membership

Recognition

Recognised by regulatory authorities, customers, and the public as the authoritative source of information on health, safety, and environmental issues relating to organic colorants.

Representation

Represents interests of members and customers to government authorities, the media, other industries, public interest groups, organised labour, academia, and research/testing/consulting organisations.

Harmonisation

Advocates, where regulations are necessary, a harmonisation of the requirements, so that compliance costs are reduced.

Code of Ethics

Encourages members to adhere worldwide to a high ethical standard and promotes image of a responsible and safety-minded manufacturing industry.

Guidance

Provides guidance to ETAD member companies on interpretation of new regulatory requirements and recommends specific measures to implement the ETAD Code of Ethics.

Education and training

Develops and publishes education and training materials pertaining to organic colorants, e.g. for safe handling practices, product stewardship, and pollution prevention.

Research and testing

Cost-sharing of research and testing programs aimed at a better understanding of the health and environmental aspects of dyes and organic pigments.

Information

Responds to inquiries about the colorants' industry, provides information on topical issues and disseminates comments and position papers.

Database

Maintains and makes available to members a computerised database of literature pertaining to the health and environmental aspects of dyes.



ETAD Member Companies

Albion Colours Ltd.
England

ATUL Limited
India

BASF AG
Germany

BEZEMA AG
Switzerland

Cappelle Pigments n.v.
Belgium

Ciba Inc.
Switzerland

Clariant Products (Switzerland) Ltd.
Switzerland

Colourtex Industries Ltd.
India

Dainichiseika Color & Chemicals Mfg. Co., Ltd.
Japan

DIC Corporation
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DyStar Textilfarben GmbH & Co. Deutschland KG
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EC Pigments
England

Everlight Chem. Industrial Corp.
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Farbchemie Braun KG
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FUJIFILM Imaging Colorants Ltd.
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Heubach GmbH
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Huntsman, Materials & Effects
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Jay Chemical Industries Ltd.
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Jiangsu Taifeng Chemical Industrial Co., Ltd.
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Nippon Kayaku Co., Ltd.
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Oh Young Ind. Co. Ltd.
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Sensient Colors Inc.
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SunChemical A/S
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