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To: Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union

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Subject: COMMISSION STAFF WORKING DOCUMENT EXECUTIVE SUMMARY OF THE IMPACT ASSESSMENT REPORT Accompanying the document Proposal for a Regulation of the European Parliament and of the Council on detergents and surfactants, amending Regulation (EU) 2019/1020 and repealing Regulation (EC) No 648/2004

Delegations will find attached document SWD(2023) 115 final.

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COMMISSION STAFF WORKING DOCUMENT
EXECUTIVE SUMMARY OF THE IMPACT ASSESSMENT REPORT

Accompanying the document

**Proposal for a Regulation of the European Parliament and of the Council
on detergents and surfactants, amending Regulation (EU) 2019/1020 and repealing
Regulation (EC) No 648/2004**

{COM(2023) 217 final} - {SEC(2023) 170 final} - {SWD(2023) 113 final} -
{SWD(2023) 114 final}

Executive Summary Sheet

Impact assessment on a proposal for a Regulation of the European Parliament and of the Council on detergents and surfactants, amending Regulation (EU) 2019/1020 and repealing Regulation (EC) No 648/2004

A. Need for action

What is the problem and why is it a problem at EU level?

Regulation (EC) No 648/2004 on detergents ('the Detergents Regulation') harmonises the rules for selling detergents and surfactants¹ on the market. It sets strict biodegradability requirements for surfactants, standardised limits for phosphorus in consumer laundry and automatic dishwashers and specific labelling requirements to inform end users about the presence of certain ingredients in detergents (e.g. allergenic fragrances) and allow them to make informed choices.

Building on the findings of the detergents evaluation², this impact assessment identifies two problems, namely:

1. **The Detergents Regulation does not take account of new market developments.** Innovative products and sustainable new practices have been developed since the adoption of the Regulation in 2004, which the current rules do not accommodate (microbial cleaning products) or it is not clear if and how they accommodate them (refill sales).
2. **Lack of efficient information requirements for detergents:** Legislative overlaps between the Detergents and the CLP Regulations³ often lead to the labelling of the same substance twice or three times on the same label and sometimes under completely different names. A second overlap also exists between these pieces of EU legislation, namely a duplication in the information on the emergency health response for detergents classified as hazardous under the CLP Regulation (ingredient data sheets under the Detergents Regulation and information to poison centres under the CLP).

What should be achieved?

This initiative would help achieve a high level of protection for health and the environment, as well as continuing to ensure the effective functioning of the single market for detergents.

More specifically, this initiative aims at clarifying and updating the rules, to:

- level the playing field and allow for innovative products and sustainable new practices,
- provide optimised protection for health and the environment,
- reduce burden for detergent manufacturers,
- improve consumer understanding and awareness of labels, by simplifying and streamlining the existing labelling requirements in the Detergents Regulation.

What is the value added of action at the EU level (subsidiarity)?

The detergents evaluation concluded that the added value of having standardised rules for making available and placing on the market detergents was uncontested⁴.

Regulatory action at EU level will ensure a regulatory context that allows innovation for new types of products, new marketing techniques and new labelling technologies across the single market, while providing the same level of protection for health and the environment across the EU.

B. Solutions

What are the various options to achieve the objectives? Is there a preferred option or not? If not, why?

¹ Surfactants are surface-active agents that help break down the interface between water and oils and/or dirt. They are one of the main ingredients used in detergents.

² Evaluation of Regulation (EC) No 648/2004 of the European Parliament and of the Council of 31 March 2004 on detergents, [SWD\(2019\)298](#)

³ Regulation (EC) No 1272/2008 of the European Parliament and of the Council of 16 December 2008 on classification, labelling and packaging of substances and mixtures, amending and repealing Directives 67/548/EEC and 1999/45/EC, and amending Regulation (EC) No 1907/2006

⁴ Idem.

Besides the baseline scenario of no action, this impact assessment identifies **2 options (1a and 1b)** to address problem 1 (new market developments not being accounted for) and **2 options (2a and 2b)** to address problem 2 (lack of efficient information requirements).

Option 1a

This would ensure that consumers receive the necessary information when buying refilled detergents and that the rules are the same for all detergent manufacturers. Microbial cleaning products would be brought under the scope of the Detergents Regulation and minimum information requirements (labelling) would be imposed so that end users can be informed about the presence of microbes in the product, through which the cleaning function is achieved.

Option 1b

This option builds on option 1a regarding refill sales by proposing, in addition, the introduction of digital labelling for refilled detergents. To further facilitate this sustainable practice and unlock its full potential, all labelling information required under the Detergents Regulation apart from dosage instructions can be provided through a digital label.

As regards microbial cleaning products, option 1b proposes the introduction of risk management requirements for these products. These include generic criteria for the use of microbes in detergents, labelling requirements, certain restrictions on the use of microbes and a review clause.

Option 2a

Under this option the ingredient data sheet would be abolished for both hazardous and non-hazardous detergents. The option further suggests to streamline the labelling requirements and to introduce the possibility of digital labelling.

The streamlining could be achieved either by labelling only once (in accordance with the stricter rules, **sub-option 1**); or by removing the duplicated provisions from the Detergents Regulation (**sub-option 2**).

By opting for digital labelling, manufacturers would also benefit from the possibility of providing certain information only through the digital label. If mandatory principles for digital labelling were applied, manufacturers could put only digital labels on their products.

Option 2b

This option proposes to abolish only the duplicated requirement to provide an ingredient data sheet for hazardous detergents and to maintain it for non-hazardous detergents under the Detergents Regulation. In terms of labelling, option 2b is the same as option 2a above.

The impact assessment identifies options 1b and 2b as the preferred combination of options.

What are different stakeholders' views? Who supports which option?

Option 2b is widely accepted by all stakeholders (including industry, public authorities and representatives of the civil society). The consultation activities have confirmed broad support for digitalisation of some label information and for maintaining the ingredient data sheet for non-hazardous detergents.

In terms of sub-options to streamline the labelling requirements, the industry slightly preferred the elimination of duplicated requirements under the Detergents Regulation (sub-option 2) but also showed wide support for the first sub-option, which was also preferred by other types of stakeholders, notably public authorities and representatives of civil society.

Wide support was also received for facilitating and digitalising refill sales under option 1b. It should, however, be noted that business organisations and larger companies showed less support for adding requirements for refill sales in the Detergents Regulation compared to other stakeholders such as small and medium-sized businesses (SMEs), NGOs, environmental and consumer organisations.

Introducing generic criteria for the risk management of microbial cleaning products was not widely supported among the proposed risk management measures⁵.

It should, however, be noted that industry stakeholders reported that introducing requirements for microbial

⁵ The introduction of labelling requirements under option 1a was the most preferred option

cleaning products in general under the Detergents Regulation would impose an unnecessary regulatory burden⁶.

C. Impacts of the preferred option

What are the benefits of the preferred option (if any, otherwise main ones)?

The preferred options are expected to bring benefits in terms of **burden reduction and cost savings for industry**, as well as **more readable detergents labels**.

They are also expected to reduce the burdens on companies in terms of the extensive and overlapping labelling requirements under the wider EU regulatory framework applicable to detergents, notably by eliminating all duplications in the information requirements and by offering flexibility in providing some label information through a digital label.

There would also be economies of scale in the sense that the physical label space could allow for more languages, meaning costs are saved in terms of distribution of sales, and the full potential of the single market for detergents would be realised.

Setting standardised criteria and clarifying requirements for more environmentally-friendly products (microbial cleaning products) and sustainable new practices will **facilitate the green transition while ensuring that innovation is not hampered**.

The combination of options 1b and 2b further **ensures a high level of protection for health and the environment**. New risk management measures for microbial cleaning products will ensure that microbes used in detergents are safe both from a health and environmental perspective and will allow end users to make informed choices and better protect themselves if they have any prior sensitivity or vulnerability to the microbes.

Targeted and simplified use instructions on the label will further allow product users to correctly use these products, thus providing optimised environmental protection. Furthermore, specific requirements for refill sales will ensure that consumers receive all relevant safety and use information when buying refilled detergents and will promote a sustainable practice that has significant environmental benefits in terms of packaging waste.

Allowing some of the labelling information to be provided only digitally will further reduce waste ensuing from disposal of unused label stock.

Streamlining and simplifying the labelling requirements will make **detergent labels more readable and easier to understand**, allowing end users to find the relevant information more easily and quickly, which is crucial, especially in the event of an accident. Labelling ingredients only once, based on the stricter applicable rules (option 2b, sub-option 1), will offer a higher level of health protection.

Moreover, the introduction of optional digital labelling will on one hand provide **additional ease of use and awareness**, as the essential information remaining on the physical label becomes clearer, and on the other **yield additional benefits for vulnerable and visually impaired users**. Digital principles will be introduced, which will apply when the manufacturers of detergents decide to label digitally. These will further safeguard the high level of health protection.

Finally, maintaining the ingredient data sheet for non-hazardous detergents under the Detergents Regulation will ensure that the level of protection remains very high.

Under the preferred option, the **functioning of the single market** benefits from the introduction of standardised norms for microbial cleaning products and refill sales, which will prevent the emergence of diverging national rules.

The preferred option will entail no or negligible costs for companies, and some cost savings. The largest impact – in the form of cost savings – results from the abolition of ingredient data sheets for hazardous detergents, **with an annual estimated saving of around €7million per year**.

Additional small burdens are expected due to the risk management requirements for microbial cleaning products, in the area of **€200,000 per company per year**⁷. However, this is an upper estimate, which is highly likely to vary depending on different factors (e.g. company or product portfolio size).

The elimination of regulatory overlaps will ensure greater consistency with the wider EU regulatory framework applicable to detergents, and the digitalisation of detergent labels is in line with the overall transition to the digital

⁶ This concerns the introduction of requirements in general *i.e.* both under PO1a and PO1b.

⁷ It is estimated that 25 companies in the EU producing microbial products could be impacted.

era and with parallel digitalisation initiatives for chemicals labels.
What are the costs of the preferred option (if any, otherwise main ones)?
<p>A total of around €400,000 one-off familiarisation costs are expected for the detergents industry as a result of the revised Detergents Regulation. Ensuring that microbial cleaning products are safe for use through the introduction of risk management requirements comes at a cost to manufacturers of these products (mostly SMEs) within the range of €200,000 per company per year.</p> <p>Minor costs for adapting the existing websites to digital labelling may also arise for any manufacturers who voluntarily opt for it.</p> <p>A slight increase in enforcement costs for public authorities could occur as a result of the expected growth of refill sales of detergents and taking into account that current enforcement activities are probably not extensive, due to the lack of clarity in the existing framework.</p>
What are the impacts on SMEs and competitiveness?
<p>Ensuring that microbial cleaning products are safe for use by introducing risk management requirements comes at a cost to manufacturers (mostly SMEs) within the range of €200,000 per company per year. However, this is an upper estimate, which is highly likely to vary depending on different factors (e.g. company or portfolio size).</p> <p>These would, therefore, not negatively impact manufacturers (mostly SMEs), who reported during the targeted consultations that these costs are within the acceptable range. Setting standardised criteria and clarifying requirements for microbial cleaning products and refill sales will facilitate the green transition while ensuring that innovation is not hampered. Given that these market segments are currently dominated by SMEs, this will further increase their access to and integration in value chains and the market overall. In terms of sectoral competitiveness, option 1b would support the development of refill distribution channels, which could attract new entrants (most likely SMEs) into this market.</p> <p>Option 2b together with 1b will allow SMEs to reap the benefits of the digital age and result in potential burden reduction and cost savings, in the same way as for larger companies. Addressing the identified legal overlaps and duplications will relieve manufacturers from the current obligation to mention the same substance more than once on their product's label.</p> <p>Moving some information to the digital label will result in costs savings, as digital labels are easier and less costly to update than physical labels. Reducing the amount of information required on the physical label can improve the free movement of detergents across all 27 EU countries.</p> <p>This would also be helped by being able to include more languages on the physical labels, by moving some information under a digital label. It would support increased investment and economies of scale. Burden reduction would also be achieved</p> <p>Annual costs savings as a result of eliminating the ingredient data sheets for hazardous detergents and the facilitation of refill sales under option 2a will benefit SMEs in the same way as for larger companies. Similarly, option 2a is also expected to reduce the burdens of economic operators in terms of the extensive and overlapping labelling requirements under the wider EU regulatory framework applicable to detergents, notably through eliminating all duplications in the information requirements and by offering flexibility in providing some label information through a digital label.</p>
Will there be significant impacts on national budgets and administrations?
No, although national authorities may face some adaptation costs to adjust to the new Regulation. As regards the enforcement of digital labelling, this will not have any significant impact, since market surveillance authorities already have digital literacy and deal with digital devices as part of their professional remit.
Will there be other significant impacts?
No other significant impacts have been identified.
Proportionality?
The preferred option complies with the proportionality principle. It does not exceed what it is needed to achieve

the objectives followed.

The risk management requirements for microbial cleaning products are the minimum required to ensure sufficient environmental and health protection. The refill sales will be facilitated, yielding burden reduction to manufacturers and positive benefits for health and the environment.

The digitalisation of the labels will remain optional. Whenever it is used, it will be accompanied by the general principles of digital labelling, to ensure the quality and accessibility of the information provided digitally.

In line with the approach that will be taken on digital labelling for CLP and fertilising products⁸, as experience and confidence is gained in digital labelling, it could be possible to increase the amount of information available digitally in the future, which may further increase the simplification potential for industry.

D. Follow up

When will the policy be reviewed?

The revised Detergents Regulation will be evaluated 5 years after it enters into application.

⁸ https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12992-Chemicals-simplification-and-digitalisation-of-labelling-requirements_en