

3.4. Guidance

Establishing purchasing rules and excluding chemicals of concern via supply contracts

This document is part of the *International Chemicals Management Toolkit for the Toy Supply Chain* developed by the United Nations Environment Programme (UNEP) in collaboration with the Baltic Environmental Forum (BEF) within the framework of the Global Environment Facility (GEF) project ID: 9771 on Global Best Practices on Emerging Chemical Policy Issues of Concern under the Strategic Approach to International Chemicals Management (SAICM).

Generally, there are two reasons, why chemicals of concern (CoCs) could be present in toys: CoCs may be among the constituents of the input materials (e.g. an additive in a polymer compound), there may be an impurity in the raw materials [#Section 1_9 Impurities](#) or CoCs may enter the product as a contaminant from recycled materials [#Section 1_10 recycled](#), processing [#Section 1_9 Impurities](#) and the use of chemical processing auxiliaries. Impurities and contaminants are not intentionally added and usually occur in low concentrations, while the addition of chemical constituents (including potential CoCs) is intentional and may involve considerable amounts.

Therefore, an efficient option to prevent the occurrence of CoCs in your own products is to ensure that no input materials, including processing auxiliaries, are intentionally used that contain CoCs. This is best achieved by implementing internal procurement procedures including:

- Establishing a purchasing procedure in the company specifying :
 - o what chemicals-related requirements should be included in requests for quotations so suppliers can address them in their offers
 - o who is responsible for obtaining and assessing offers for input materials that should be purchased / newly used
 - o what information should be available for (newly) used materials in terms of chemical composition or the content of specific substances (e.g. SDS [#Section 3_1 guidance](#) getting)
 - o how information is evaluated and decisions are made, potentially involving the technical department and/or the quality manager on what products to purchase
 - o demands towards the (communication) skills and support of suppliers, e.g. with regard to the documentation they provide, whether there is a reliable contact person who is competent to answer questions on chemicals etc.
- Developing a set of criteria to guide decision making about what chemicals of concern should not be contained in the input materials. While every chemical that would make the own product/toy non-compliant with regulatory requirements or company policies must be excluded, also additional chemicals might be unwanted, such as those having [specific GHS hazards](#) or those that are requested to be absent by customers.

- Establishing a routine for providing feedback to suppliers on improvement needs regarding their products and product documentation if this is necessary.

Procurement procedures support companies by providing a more systematic approach to purchasing (Ecodesign Competence Centre 2017). This facilitates comparing offers and rationalising decision making, helps to reduce risks of non-compliance as chemicals of concern are much less likely to be overlooked in (new) input materials, and contributes to establishing better and more stable relationships with trustworthy suppliers. In addition, they increase the efficiency of purchasing in general. The purchasing procedure and criteria can be extended beyond chemicals and may hence also cover other minimum criteria for the input materials.

Based on the (chemicals-related) purchasing criteria, demands towards the quality of input materials can also be included in supply contracts.

Figure 1: Sample text for inclusion in supply contracts regarding chemicals

<p>Exclusion of chemicals</p> <p>“The following chemicals must not be present in the supplied products above the concentrations given below.”</p> <p><i>[List of chemical substances, and their CAS numbers and concentration limits to be added]</i></p>
<p>Exclusion of hazardous properties</p> <p>“None of the ingredients constituents intentionally or unintentionally added or contained in the supplied products in concentrations above 0.1% may be classified with the following GHS hazard statements”</p> <p><i>[List of GHS hazard statements to be added]</i></p>
<p>Changes of the product (information)</p> <p>“In case the composition of the supplied products is changed, the client is to be informed immediately. An up-to-date technical documentation of the supplied products must be provided. Similarly, if new information emerges on the hazards of any constituent of the supplied products that changes the GHS hazard classification, the client is to be informed immediately”</p>
<p>Liability</p> <p>“The supplier is liable for the damage caused to the client due to the improper communication of hazard information or non-compliance with (agreed-upon) quality requirements/ legal requirements.”</p>
<p>Quality control</p> <p>“The supplier is responsible for monitoring the quality of supplied products and provides a laboratory analysis report e.g. every [...] months.”</p>
<p>Assuring compliance</p> <p>“The supplier confirms the product compliance with the following legal acts/ standards [legal acts, standards listed:] in the accompanying documents, declaration of compliance that is provided with each batch of supplied products.</p>

The provisions in the supply contract should be proportionate to the supplied product. If large amounts of goods are purchased, requesting a laboratory report is more appropriate than if only small amounts are bought from a supplier.

If a company receives specific requests on the chemical composition of the products, it is useful to ‘forward’ these criteria in their own supply contracts. This helps to ensure compliance and may eventually improve chemicals management along the entire supply chain.

Reference:

Ecodesign Competence Centre (2017). *Beginners guide to green procurement for enterprises - a tool for the better management of hazardous substances*.

<https://www.fitreach.eu/sites/default/files/editor/procurement/Procurement%20Guidelines.pdf>. Accessed 18 October 2022.