

Managing supply chain threats caused by REACH authorisation

Originator: Phil Humphries
Job Title: Chief of Chemicals Management Services
Business Unit: Engineering & Technology

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For the attention of the Managing Director and Quality Manager

Dear Sir or Madam,

Scope/Applicability:

All Rolls-Royce suppliers / Partners in the European Economic Area.

Introduction:

Registration, Evaluation, Authorisation and restriction of Chemicals (REACH) is a European Union regulation. It came into force on 1 June 2007 and replaced a number of European Directives and Regulations with a single system.

A number of chemical substances are subject to REACH authorisation within Europe. After the [sunset date](#) the use of certain chemical substances, whether individually or in a mixture, will be prohibited unless the proper authorisation has been obtained.

We are taking the following actions with respect to this requirement:

- 1) Substitution of such chemicals where qualified alternatives are available, as well as encouraging our suppliers to do the same;
- 2) Development of alternatives where they do not yet exist, or are not yet qualified for use; and
- 3) Authorisation of relevant substances where necessary, either as an end-user or in the upstream supply chain.

Action required:

To prevent parts containing substances that require authorisation being missed and consequently causing a breach of the REACH regulation or disruption to supply, please ensure that the following scenarios are avoided and/or mitigated against:

- Late discovery of a relevant substance not previously disclosed on a safety data sheet;
- Need for use of a specified material for a rare or infrequent use, which is not in current stock;
- Lack of awareness of REACH obligations or misunderstanding of exemptions;
- Lack of appreciation by chemical manufacturers of continuing needs for their products; and
- Non-disclosure by upstream suppliers of components of key process chemicals.

The concern that a mechanism is needed to manage such situations has been raised with the European authorities, but is unresolved at present. The following instructions are therefore required to provide a means to manage the situation pending this resolution.

You are advised to seek legal advice if there is any actual or potential disruption to your business caused by missed authorisation. Our recommendation is to follow the actions set out below:

- 1) Notify Rolls-Royce of the issue;
- 2) Make contact with the relevant European member state authority to discuss whether continued use of the substance will be permitted;
- 3) Consider whether chemical stock purchase is permissible to cover any gap in supply until a resolution is implemented;
- 4) Agree a resolution plan for compliance with the applicable European member state authority;
- 5) Where such a plan involves change of material, process or source, agree this plan with the applicable Rolls-Royce Technical Authority; and
- 6) In accordance with the agreed resolution plan close out actions to resolve the issue, whether through a fast tracked Authorisation, substitution or move of supply chain source.

As soon as a concern is identified, inform your usual Rolls-Royce purchasing contact and the Rolls-Royce REACH team:

E-mail: reach.programme@Rolls-Royce.com

Telephone: +44 (0)1332 249471

NTS Category:

Regulatory/Legislation

Authorised by:

Steve George

REACH Programme Executive