

FROM THE ED'S DESK

Dear CTFA Members

2017 has thus far been one of ongoing change in the legislative environment with many implications for the industry. The CTFA is actively lobbying with relevant governmental structures, organisations and stakeholders to ensure that legislation does not become a barrier to trade in any form.

In this issue of Cosmetic Snippets we focus on the Department of Health's pending regulations, on which we have consistently been challenging, communicating and 'advising' the DoH on behalf of industry. Section 28, which includes the Waste Management Plan, being driven by the Department of Environmental Affairs is another area that is imminent and will have a ripple effect on all industries.

Cosmetic Snippets is a quarterly newsletter to keep you abreast of what is happening in the regulatory landscape. This does not take away from the ongoing 'updates', 'notifications' and adhoc information sent to you during the year.

Thank you to all members for your ongoing support. We look forward to keeping you updated and to assist in keeping your businesses compliant.

Kind regards,

Adelia Pimentel
Executive Director

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FROM SELF-REGULATION TO REGULATION

The regulatory environment is abuzz with new developments and after 22 years of self-regulation, the much anticipated Department of Health (DoH) draft regulations were released for comment in 2016. The CTFA together with a dedicated workgroup, made up of member companies, ensured that the comments submitted to the DoH were a true reflection of what the industry needs to survive and thrive within the pending legislative environment.

Subsequent to comments submitted to the DoH on the regulations relating to the Advertising, Labelling and Composition of Cosmetics as published in the Government Notice No. 40216 of 19 August 2016, various meetings have been held between DoH and CTFA to discuss the way forward for a regulated industry.

A high-level meeting was held in January 2017, at the DoH offices in Pretoria regarding the submitted comments on the different regulations.

The objectives included:

- Ensuring a common understanding of the South African Cosmetic Industry.
- Highlighting the key areas of concern as indicated from the comments submitted by the CTFA on behalf of the industry on the draft regulations.
- Agreement on the way forward.

The meeting was positive overall. Dr Joey Gouws, Director: Inspectorate and Law Enforcement at the DoH complimented the CTFA as a competent and the only recognized association, whom they would be consulting with to ensure that the future regulations are conducive to a thriving cosmetic industry in South Africa. It was clear during the meeting that the CTFA submission held weight, and that the industry comments were welcomed.

The DoH was keen to understand the industry position and to have an ongoing dialogue to establish effective

legislation across all sectors of the country.

The most recent interaction with the DoH regarding our submission on the draft regulations on behalf of industry, revealed the following:

- DoH will consider a reasonable and phased compliance period approach as per request in the CTFA submission
- DoH has requested supporting information for some of our proposals.
- DoH also indicated that there will be a public workshop for stakeholders to interact with the regulator on the draft regulations prior to promulgation.
- DoH indicated that there is a possibility of a redraft for a further commenting opportunity once the CTFA proposals on annexure changes are effected.

Time frames:

- An indication of promulgation and compliance period has not been confirmed by the DoH.
- The date for the public workshop and possible redraft of regulations has not been confirmed by the DoH.
- Based on our interactions, the CTFA is of the opinion that all the above plans are likely to be effected in the second half of 2017.

COMPENDIUM: BRIDGING THE GAP

The evolving regulatory landscape has been captured in the new version of the compendium called "Bridging the Gap". Members can access the revised document on the CTFA website www.ctfa.co.za.

Updated information includes: Annex II - List of substances prohibited in cosmetic products and Annex IV - Colouring agents allowed for use in cosmetic products. Updates have been based on the updates on EC regulations 1223/2009.

Further updates will be made as confirmation is received on the way forward from the Department of Health. Please note that currently we are still in a self-regulated environment and thus the compendium as it stands on our website is what must be used. As we migrate to a regulated environment we will keep you informed, via a tool kit, on regulations and the effect on compliance to assist you in long-term product planning.



INDUSTRY WASTE MANAGEMENT PLANS (IWMP)

South Africa consumed approximately 3.5 million tons of all types of packaging (glass, paper, metal and plastic) in 2015 of which a total of approximately 57% was collected for recycling and other purposes. This was an improvement from 2014 of 2.4%.

A key objective of the Waste Management Plans is to increase the recycling rate for new packaging and paper from 44.2% in 2009 to over 54% by 2018. In 2009, 1 539 million tons were recycled and by 2018 this is expected to be in excess of 2.1 million tons, some 570 000 tons more than in 2009.

In a recent speech, Minister Edna Molewa tabled the Department of Environmental Affairs' (DEA) programmes and priorities for 2017-2018, which included:

- Evaluating the inputs received from various sectors on Industry Waste Management Plans (IWMP's) for the Paper and Packaging; Electrical and Electronic Equipment and the Lighting Industries, which will be published for implementation this financial year (2017).
- Conducting a Plastic Material Study this year in collaboration with the plastics industry, the South African Bureau of Standards (SABS), the National Regulator for Compulsory Specifications (NRCS), the National Treasury and Department of Health (DoH)
- Considering measures that allow for independent operators to run clean-up and processing operations in the different waste management sectors and their appointment through an open and competitive tender system.
- Conducting a feasibility study into the option of a landfill disposal tax as a disincentive to landfill, in conjunction with National Treasury.

The Department of Environmental Affairs (DEA) held a workshop on the 28th of March to reach alignment on various aspects of Section 28, which could then be used as the framework to amend the current version of the Notice.

The outcomes (Section 28 content) of this workshop included:

- Definitions
- Registration of producer
- Registration of Producer Responsibility Organization
- Preparation and submission of industry waste management plan for approval
- Content of an industry waste management plan
- Consultation process
- Consideration of industry waste management plan
- Review of industry waste management plan

- Offences
- Penalties

The full powerpoint presentation is available on the CTFA website (member link).

Further to this, industry stakeholders (role players) recently engaged and suggested alternate Producer Responsibility Organisation (PRO) models that could be considered for local adoption and implementation.

Following targeted DEA and stakeholder engagement sessions on the way forward on various aspects and future implications of waste management for all industries, clarity on which Industry Waste Management Plan (IWMP) to belong to, the content of the IWMP and the implications for each industry, including cosmetics is still vague.

What is certain is that upon publication of the revised Section 28 Notice this year: PRO's will have 60 days to submit IWMP's for the Ministers approval which will be followed by a 30-day commentary period.

It is incumbent on companies and individuals alike to ensure that South Africa reduces its landfill and subscribes to waste management, which in turn will assist in looking after the environment for generations to come.



MICROBEADS USAGE IN SA



The occurrence and persistence of plastic debris in the global marine environment and waterways has been an issue of growing public debate and industry concern for some time.

Different sources of such debris have been identified and estimated. The vast majority of small plastic particles in the seas come from the breakdown and abrasion of bigger materials such as car tyres, other sources, such as pellet loss from plastic manufacturing, paint, textile fibres or particles used in personal care

products which are much smaller contributors. The use of plastic micro particles (non-biodegradable Polyethylene beads) in personal care products, although often highlighted in the context of marine litter, actually accounts for a very small fraction of the plastic debris found in the marine environment.

In light of the public and Department of Environmental Affairs (DEA) concerns expressed over plastic debris in the marine environment and the availability of alternative materials, the local cosmetic industry have begun the process of discontinuing the use of synthetic, solid plastic, non-biodegradable particles used in personal care for exfoliating and cleansing. The South African industry objective is to have complete market reform by the year 2020.

Minister Dr. Edna Molewa tabled the Department of Environmental Affairs 2017/18 Budget Vote Policy Statement on the 25 May 2017, focus areas within the chemicals waste sector:

- The need to manage the detrimental impacts of plastics and the phase out of micro-plastics in terms of UN General Assembly and UN Environmental Assembly resolutions, as well as the findings of a Plastic Material Study that will be conducted this year in collaboration with the plastics industry, the South African Bureau of Standards, the National Regulator for Compulsory Specifications, the National Treasury and Department of Health.
- DEA are considering measures that allow for independent operators to run clean-up and processing operations in the different waste management sectors and their appointment through an open and competitive tender system.
- DEA are conducting a feasibility study into the option of a landfill disposal tax as a disincentive to landfill, in conjunction with National Treasury.

The findings of the collaborative Plastic Material Study will provide tangible local details for guiding the DEA's regulatory way forward.

BIODIVERSITY – SESSIONS AT CTFA

The DEA “face to face” consultations held on the 8th of February and the 21st of April 2017 at the CTFA offices proved to be beneficial from the perspective of CTFA members, the CTFA and the DEA. Ms Natalie Feltman: Director of Bioprospecting and Biodiversity Economy and Ms Lactitia Tshitwamulomoni: Deputy Director of BABS Policy Development and Implementation within the Department of Environmental Affairs (DEA) were on hand to provide guidance, feedback and listen to individual company concerns. The DEA graciously agreed to this interface with CTFA members, despite their tight schedules and the variation to their standard process.

The DEA, CTFA and members agreed to work together in keeping the lines of communication open to reach the required resolutions.

Some major aspects discussed were: responsibilities and regulatory requirements for each role player within the value chain, industry awareness on the inroads made by DEA on permitting and requirements with regards to specific industry-related cases, regulatory awareness and compliance, complexity of regulation and processes and the need for broader industry regulatory awareness.

The sessions also allowed DEA to share some key insights with members such as:

- ✓ Ensuring that raw materials are purchased from permitted suppliers (i.e., Suppliers in possession of either a Bio-trade Permit or an integrated Bio-trade and Bioprospecting permit.) These are in cases where formulators or contract manufacturers do not engage with the communities directly,
- ✓ Consulting the SANBI website- to identify plant materials that are indigenous to South Africa and additionally reference some basic information on the traditional uses of such plant materials. (www.plantzafrica.com)
- ✓ Specific new innovation concepts could require consultation with various role players to reach consensus and identify accountabilities,
- ✓ Telephonic discussions with the DEA followed by mail correspondence-assist DEA for traceability and matter progression,
- ✓ The DEA accommodates company -specific meetings at their PTA offices- to provide guidance on the process in order to ensure compliance with the BABS Amendment Regulations,
- ✓ DEA, Bioprospecting and Biodiversity Economy Directorate will inform the DEA Compliance and Enforcement team of companies that they are currently working with on achieving compliance,
- ✓ An umbrella permit application can be made for a number of plant materials and products falling within the same category,
- ✓ Permit validity in general would be for 5 years – dependent on type and nature,
- ✓ Other role players in the value chain such as contract manufacturers and brand owners could be accommodated by raw material suppliers in product utilisation via the set-up of inclusive BSA 's (Benefit Sharing Agreements),
- ✓ DEA tools available on their website for industry guidance includes: BABS Guidelines, Posters, FAQ, BABS Regulations, Biodiversity Act, Application Forms, MTA template, BSA template, Community Resolution template and Consent Letter for Subsequent Bio-trader template. (www.environment.gov.za)

A special thank you to members for their attendance and active participation.



ISO INTERIM WORK GROUP (WG) MEETING

The CTFA jointly attended the ISO interim Work Group (WG) meeting held in Paris between the 15th and the 17th of May 2017 with SABS and local sunscreen expert. The CTFA attended both the WG3 (Analytical Methods) and WG1 (Microbiology) sessions.

WG3 focused on reviewing comprehensive commentary received on ISO/DTR 1881 Cosmetics – Guidelines on the stability testing of cosmetic products. The amended document will be discussed at the upcoming October conference with the intent to publish this document thereafter.

WG3 also discussed the ISO/AWI TR 21392 Cosmetics-Analytical methods-Measurement of traces of heavy metals in finished products using ICP/MS Technique for use in testing Lead, Arsenic, Cadmium, Antimony, Nickel and Cobalt.

A separate guideline document and ring studies are underway for Mercury analysis using Atomic Absorption Spectroscopy (AAS), cold vapour technology and Direct Method Analysis (DMA) with

no sample preparation requirements, using current available equipment models on the market.

WG1 reviewed ISO/DIS 29621 – Microbiological guideline for risk assessment and identification of microbiologically for low risk products.

The WG recommended the inclusion of content on alternative methodology; failing which consideration will be given to revising the document into a guideline.

Revisions made will be reviewed at the next WG meeting. Brazil informed the WG that ISO standards (methods) related to Microbiology would be endorsed at the next International Cooperation on Cosmetics Regulation (ICCR) meeting being held in July 2017.

The WG7 sessions were attended by an industry expert with the following outcomes: acceptance of the PWI Measurement of the Sunscreen Efficacy by Diffuse Reflectance Methodology and agreement on the revision of ISO 24444:2010 Cosmetics; sun protection test methods and in vivo determination of the sun protection factor (SPF).

Discussions were held around acceptance criteria for testing, restrictions around test subject testing, the development of three new standards (formulations) for SPF testing and completion of ring tests before October, which were just some of the aspects discussed.

NB: An ISO report is in the process of being collated by SABS for circulation, the CTFA will keep you informed on developments and details on the above.

MCC ON CETYLPYRIDINIUM CHLORIDE (CPC)

Kindly be advised that a meeting of the Medicines Control Council (MCC) on 18th April 2017, Council discussed the regulatory and scheduling status of cetylpyridinium chloride under the ambit of the medicines and Related Substances Act, 1965 (Act 101 of 1965), and resolved as follows:

“cetylpyridinium chloride containing products are exempted from registration as a medicine when the intended use of cetylpyridinium chloride is as a preservative in a cosmetic in terms of the provisions of the Foodstuffs, Cosmetics and Disinfectant Act, 1972 (Act 54 of 1972) in the following concentrations:

- Mouthwash cosmetic products up to a concentration of 0,1 %;
- All other oral hygiene cosmetic products up to a concentration of 0,5%;
- Skin lotions and creams up to a concentration of 0,2%;
- Anti-perspirant deodorants up to a concentration of 2,0 %.”

Dr JC Gouws // Registrar of Medicines

CTFA NOTICES FROM WORLD TRADE ORGANISATION (WTO)

As a member, you will have noticed that the CTFA sends out sporadic notices from the WTO.

The CTFA noted a gap of notifying local industry about International regulatory notices issued by the World Trade Organisation (WTO).

The Technical Barrier to Trade (TBT) notifications issued by WTO will impact export compliance and could potentially change future local regulations.

CTFA ANNUAL GENERAL MEETING

The CTFA AGM has historically occurred in June every year, in 2016 the decision was taken to change it to earlier in the year. Having it in the first quarter of the year allows the CTFA to reflect on the previous year and share plans for the upcoming year in a more focussed manner.

The AGM took place on the 29 March 2017 at the CTFA offices in Randpark Ridge. The period under review, 2016, was a financially successful year for the CTFA. With sound financial management the Association met the approved budget. Income generated from membership grew by 6% over the prior year, due mainly to new members that joined the Association. A total of 82 members enjoyed the benefit refund of the early settlement offer.

Watermans expressed willingness to continue as Auditors for the next financial year, and were reappointed for 2017.

The CTFA Executive Council proposed Mark Hobbs as Chairperson for the year 2017. With no objection from the members in attendance, Mr Hobbs will continue in this position as CTFA Executive Council Chairperson.

The CTFA Executive Council for 2017:

Mark Hobbs	Indigo Brands	Chairperson
John Knowlton	Cosmetic Solutions	
Wayne van Wyk	Vantage	
Ilse du Toit	Avon Justine	
Priyan Pillay	Colgate-Palmolive	
Sandeep Rai	L'Oréal	
Enrico Baldassarri	Revlon SA	
Nizam Kalla	Amka	
Adelia Pimentel	CTFA	

A special thank you to members for their attendance and active participation.



UPCOMING INTERVENTIONS:

Technical Committee (TC) Meeting

Scope and Objectives of TC:

To support CTFA's internal technical direction; oversee the activity of technical sub-committees (Working Groups), recommend technical and regulatory position to the Executive Committee, provide support during stakeholder engagement and assist in the development of Codes of Practice and/or Practice Guidelines.

Venue: CTFA Offices

Date: Meetings are held every second month. Contact the CTFA for details.

NRCS Debriefing Session

Send all your questions regarding the draft on the Legal Metrology Bill to info@ctfa.co.za. A guest speaker from NRCS will be present to respond.

Venue: CTFA Offices

Date: 25 July 2017

The SA Regulatory Environment

These interventions will include an update on industry regulations and the overall South African regulatory environment. A guest speaker from the Department of Environmental Affairs (DEA) will be present.

Members will be invited. Look out for more details pertaining to the event.

Venue: Durban | Cape Town | Johannesburg

Date: TBA (August)

ctfa

COSMETIC TOILETRY & FRAGRANCE ASSOCIATION OF SOUTH AFRICA

WELCOME NEW MEMBERS JANUARY-MAY 2017

The CTFA would like to welcome the following new member companies, and wish them a long and mutually beneficial relationship.

Bellezza Laboratories Pty Ltd
Bliss Healthcare (Pty) Ltd
Brazilian Hair Secrets Repair and Treatment Hair Centre
Carbocraft Pty Ltd
Centre of Excellence - North-West University

Charworxc t/as Cupboom
Dabur South Africa SA Pty Ltd
Demron Organic cc
LJ Cosmetology
Natural Earthy Delights
Saseka Investment Holdings (Pty) Ltd

Solution Oasis LTD
The Homestead Natural Product Company (Pty) Ltd
Tip Top Nails cc
Totally Wild (Pty) Ltd
Urban Laboratories International LLC
Venus Concept Africa (Pty) Ltd

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