Critical Meetings Promoting Industry and International Regulations Impacting Operations Highlight GR Activities

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Department of Defense Metal Finishing Workshop Applauded: 3rd Industry-Defense Meeting Planned at Ogden AFB in Spring 2007

The finishing industry participated in a highly successful Department of Defense metal finishing workshop in late November in Washington, D.C. The workshop was held as a primary technical session at the Pentagon's annual symposium on strategic environmental research and development. The symposium attracted 1000 attendees overall, and over 120 participated in the 2-day metal finishing session.

The November workshop was more industry-focused, following up from a May 2006 metal finishing kick-off meeting of primarily DOD maintenance depots, aerospace users of finishing and Pentagon headquarters personnel. The session featured presentations by industry representatives and others on the impact of regulatory pressures on surface finishing, technology innovation on "hex-free" coatings and a status report on adoption of "cleaner and greener" surface finishing processes for military applications.

The second day of the workshop featured an open discussion on the direction of new coatings technologies, strategies for safe use of traditional technologies and opportunities for collaboration between industry and the Department of Defense. The finishing industry invited in representatives of General Motors and Ford as well, in order to share some recent successes in industry-automaker discussions of EU and global regulatory changes.

The workshop was so productive that plans were made for a follow-up session in Spring 2007. Among the areas of focus will be the use of hexavalent chromium-free chromates and priorities for a research and development agenda. Preliminary discussions have targeted a workshop in Spring 2007 at a DOD depot with a joint tour for participants. More information on this event will be provided as details are finalized.

Industry Meets with President Bush's "Manufacturing Czar"

The industry's Government Relations (GR) office met with the Bush Administration's Manufacturing Czar, Al Frink, to discuss surface finishing industry competitiveness issues, the recent industry-OSHA Chrome PEL settlement, and the role of the U.S. Department of Commerce in assessing manufacturing competitiveness on the regulatory front. As part of the industry's effort on the OSHA rulemaking on the new workplace exposure standard for chromium, the industry had discussed with the Department of Commerce finishing industry economic impacts and global competitiveness issues with OSHA and the White House's Office of Management and Budget (OMB).

The discussion with Mr. Frink and the other Commerce officials focused on how Commerce can play a credible role in analyzing future impacts of rulemakings on U.S. small manufacturing. GR will be meeting again with Mr. Frink and other senior Commerce officials in the new year on regulatory costs and global competitiveness issues. Moreover, GR will also be eliciting the support of other industry trade groups to weigh in on this effort to improve the federal regulatory process and ease the burden on U.S. manufacturing.

Canadian and European PFOS Regulations Provide Exemptions to Allow the Use of Fume Suppressants in Metal Finishing Processes

Perfluoroctane sulfonate (PFOS) compounds that are use as fume suppressants in metal finishing operations have been receiving increasing regulatory attention in North America, Europe and Australia due to potential environmental health and safety concerns. Regulations restricting the use of the substances have already been approved by Canada and the European Union, and the U.S. is in the process of reviewing comments on its proposed regulation. Continued use of PFOS in fume suppressants is critical for finishers in complying with air emission and workplace exposure regulations and for other product quality and performance considerations.

Canadian Regulation

On December 16, 2006, the Canadian Department of the environment announced a new regulation prohibiting the manufacture, use, sale, offer for and import of PFOS and its salts and certain other compounds, as well as manufactured items containing PFOS. The regulation did, however, provide some limited exemptions for the use of PFOS in firefighting foams and metal plating fume suppressants.

For metal plating, the use of PFOS in fume suppressants is permitted for a period of five years for the following processes: 1) chromium electroplating, chromium anodizing and reverse etching; 2) electroless nickel-polytetrafluoroethylene plating and 3) etching of plastic substrates prior to their metallization. The regulation will take effect in 2008 and the exemptions for the use of PFOS in fume suppressants will remain in place until 2013.

European Union Regulation

Similarly, following the recent vote of the European Parliament, the European Union (EU) Council of Ministers approved a ban on most PFOS compounds on December 11, 2006. The ban, which is scheduled to take effect in mid-2008, also includes some exemptions for uses of PFOS in the semiconductor industry, photographic coating processes, electroplating processes and aircraft hydraulic fluids until safer alternatives are available. The plating exemption appears to be limited to use as "mist suppressants for chromium plating."

U.S. Regulation

The U.S. Environmental Protection Agency (EPA) is still reviewing comments on its proposed regulation restricting the use of perfluoroalkyl sulfonates (PFAS) that was issued in March 2006. While EPA did provide exemptions for use of PFAS materials in other industries, it did not provide an exemption for the use of PFAS in metal finishing. EPA officials did invite comments on the need or such an exemption.

The industry submitted comments detailing how fume suppressants and other substance containing PFAS are used extensively in metal finishing and why they are critical for the safe and effective operation of many metal finishing processes. The exemptions provided in the Canadian and EU regulations will provide some guide for EPA.

GR and industry representatives will be meeting with EPA officials to discuss the use of PFAS in metal finishing processes and the need for the exemption. EPA expects to finalize its PFAS rule by Summer 2007.

European Union Approves REACH Chemical Regulation

On December 18, 2006, the European Union (EU) Council of Ministers ended years of drafting and negotiating, and finally approved the Registration, Evaluation and Authorization of Chemicals (REACH) regulation. This new regulation will take effect on June 1, 2007.

The first stage of the REACH regulation will be phased-in over a lengthy period of time. Starting June 1, 2007, an 18-month pre-registration phase will begin, whereby companies must submit the initial information about chemical substances. Full registration will begin in January 2011 for toxic substances and chemical substances that are manufactured or imported in quantities of 1,000 metric tons or more annually. The registration process will continue through several phases until 2018 when registrations are due for the lowest volume substances, *i.e.,* one to ten metric tons annually.

Following the registration process, chemical substances will be evaluated and assessed to determine if their use should be authorized. Those substances found to be persistent, bioaccumulative, very bioaccumulative and toxic will be authorized for use subject to certain safeguards. These safeguards could include a plan to replace the substance with a safer alternative, research to develop safer alternatives, imposition of necessary controls, or a demonstration that failure to authorize use would impose significant economic damage.

The REACH legislation was drafted as an EU regulation and so it will apply directly and uniformly across all member states. In contrast, an EU directive must be transposed by each member state into its domestic legal code before taking effect.

Given the comprehensive approach to the REACH regulation and the lengthy period to implement the requirements, it will take some time before the full impact of this new regulatory scheme is realized. It does, however, mark a dramatic change in how chemical substance will be managed and used in the global marketplace. ***P&SF***

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NASF Washington Forum

May 1-3, 2007
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