

Industrial Chemicals Environmental Management Section (IChEM Section)
Department of Climate Change, Energy, the Environment and Water
ichems.enquiry@dcceew.gov.au

Dear Madam/Sir,

Re: Public comments on IChEMS proposed standards

Accord Australasia and the Australian Food and Grocery Council (AFGC) provide this joint submission on the IChEMS proposed standards and propose a more efficient way forward for this and future consultations.

Our comments are provided with risk-resource allocation in mind, so that our efforts can focus on managing higher risks.

In parallel, we emphasise that effective implementation will depend not only on the technical design of the schedules but also on the availability of clear guidance and practical support to ensure industry readiness. Together, improved schedule consistency and targeted implementation support will be critical to delivering effective, proportionate and workable regulatory outcomes.

Chemicals proposed for schedules 1, 2 or 3

Chemicals proposed for inclusion in schedules 1, 2 and 3 are industrial chemicals that pose a low risk to the environment. These risks can be managed through the application of the IChEMS Minimum Standard.

It is our understanding that the IChEMS Minimum Standard is the minimum expectation for all industrial chemicals, for managing environmental risk, i.e. there is no new expectation on industry from current practices. Essentially, a proposal to include chemicals in schedules 1, 2 or 3 is a proposal to maintain status quo. We do not consider consultation is required to maintain status quo.

For future consideration, we consider chemicals proposed to be included in schedule 1, 2 or 3 could be added to the schedules without public consultation. A notice of the addition can be published, and if there are any comments that propose inclusion to higher schedule, these can be considered for future scheduling.

This approach is risk-based and would save significant regulatory effort for both industry and DCCEEW, without impacting on regulatory outcomes.

Chemicals proposed for schedules 4 and 5

Improve consistency of proposals

Chemicals proposed for inclusion in schedules 4 and 5 are those that pose moderate environmental risks.

Chemicals in the same schedule should have similar risk management, e.g. all chemicals in schedule 4 should share similar risk management approaches. This does not appear to be the case in the proposed standards.

For example, the proposal to add limonene to schedule 4 requires compliance with IChEMS Minimum Standard only as the risk management measure. Also proposed for schedule 4 is perfluorobutanoic acid (PFBA), perfluoropentanoic acid (PFPeA), perfluorohexanoic acid (PFHxA) and related substances, which, in addition to the IChEMS Minimum Standard *'users of the class of chemicals must develop a strategy that outlines how and when they will transition away from these chemicals. This strategy must be provided to the relevant agency responsible for environmental protection'*.

Additionally, there is inconsistency in the proposed Schedule 5. For example, while the majority of Schedule 5 proposals require both a transition strategy and compliance with the IChEMS Minimum Standards, butylated hydroxytoluene (BHT), butylated hydroxyanisole (BHA) and related antioxidants (including TBHQ/TBBQ), as well as tetrabromobisphenol A (TBBPA), are only required to comply with the minimum standards.

We recommend greater consistency within each schedule so that they do not include chemicals required to be actively phased out with those only requiring compliance with the IChEMS Minimum Standards (i.e. status quo).

Regulatory requirements should be specific and actionable

Statements such as *'users of the class of chemicals must develop a strategy that outlines how and when they will transition away from these chemicals. This strategy must be provided to the relevant agency responsible for environmental protection'* are too generic and do not provide enough information for any practical action.

We would appreciate clearer and more practical regulatory directions. For example, specifying the 'users' so that regulatory effort does not need to be duplicated throughout the supply chain.

We would also appreciate clear identification of the responsible agencies and processes for communicating strategies on phasing out chemicals where this is a requirement. As it is, we consider there are regulatory obligations on industry without the clear regulatory structure or guidance to allow these obligations to be fulfilled.

Chemicals proposed for schedules 6 and 7

Regulatory requirements need to be specific and actionable, with practical options for compliance.

For example, the proposal for perfluoroheptanesulfonic acid (PFHpS) and related substances includes specific limitations not only on the substance and related salts, but any substance containing a perfluoroheptanesulfonyl moiety that can degrade to PFHpS. As far as we are aware, there are no known methods for detecting all substances containing a perfluoroheptanesulfonyl moiety that can degrade to PFHpS.

Regulation of chemicals where there are no methods of testing/verification is not practical, leading to uncertainty for industry to manage and comply. We welcome DCCEEW's further consideration or guidance on how this could be practically implemented.

Supporting effective implementation and compliance

To support effective and consistent implementation of the IChEMS framework, Accord and AFGC note the importance of additional education and guidance for industry. While improvements to schedule consistency are critical, successful outcomes will also depend on regulated entities having a clear understanding of their obligations and sufficient time and support to prepare. We therefore recommend that DCCEEW provide targeted, practical education materials and guidance to assist businesses in interpreting requirements, planning for implementation, and embedding compliance in practice. Clear, plain-English information and early engagement will support industry readiness, reduce implementation risk, and promote more consistent and effective compliance outcomes.

Thank you for this opportunity to provide comments to improve the IChEMS proposed standards. If you have any questions, the appropriate contact people are Catherine Oh, Director, Regulatory Strategy for Accord, email coh@accord.asn.au and Dr Duncan Craig, Director, Health Trade and Regulatory Affairs, email Duncan.craig@afgc.org.au.

About Accord

Accord Australasia is the voice of the hygiene, cosmetic, personal care and specialty products industry across Australia.

Together, our members deliver products used in homes, workplaces, institutions and industries everyday — from cleaning, oral care and personal hygiene, to cosmetics, fragrances and specialty products.

We support and represent members spanning the breadth of Australia's formulated products sector — from global brands to SMEs, from manufacturers and importers to raw material suppliers, contract manufacturers, labs and service providers.

Industry Impact

Our members represent:

- A \$28.2 billion industry employing more than 72,000 people nationally.¹
- Over \$1.5 billion in annual exports to global markets.
- Over \$4 billion in imports to Australia
- Products that safeguard health, support wellbeing and improve quality of life.

Our Credentials

- More than 50 years of partnership and experience: representing and uniting the industry.
- An inclusive, consensus-driven organisation, trusted by government and regulators.
- A diverse membership base, from global leaders to Australasian SMEs.
- A professional team with deep experience across business, government and NGOs.

Strong affiliations with the Australian Chamber of Commerce & Industry, ARC Training Centres, the Royal Australian Chemical Institute, and sister associations in the USA, Canada, Europe and Asia-Pacific.

Our Role

We unite the industry, build consensus, and provide a strong voice to regulators, government and the community. We advocate for policies that support innovation, sustainability and responsible business practices. We equip members with knowledge, connections and services that strengthen their businesses, while promoting the essential role our industry plays in safeguarding health, supporting wellbeing and enhancing everyday life.

Contact

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¹ Source: Accord–EY, *Economic State of the Industry Report*, 2022

About AFGC

The Australian Food and Grocery Council (AFGC) is the leading national organisation representing Australia's food, beverage and grocery manufacturing sector.

With an annual turnover in the 2022-23 financial year of \$162 billion, Australia's food and grocery manufacturing sector makes a substantial contribution to the Australian economy and is vital to the nation's future prosperity. Each business in the sector has contributed towards an industry-wide \$4.2 billion capital investment in 2022-23.

Food, beverage and grocery manufacturing together forms Australia's largest manufacturing sector, representing over 32% of total manufacturing turnover in Australia. The industry makes a large contribution to rural and regional Australia economies, with almost 40 per cent of its 281,000 employees being in rural and regional Australia.

It is essential to the economic and social development of Australia, and particularly rural and regional Australia, that the magnitude, significance and contribution of this industry is recognised and factored into the Government's economic, industrial and trade policies.

The industry has a clear view, outlined in *Sustaining Australia: Food and Grocery Manufacturing 2030*, of its role in the expansion of domestic manufacturing, jobs growth, higher exports and enhancing the sovereign capability of the entire sector.

Contact

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