

EPCF Informal Lunch Debate on

The revision of the EC Directive 84/500/EEC on ceramic articles intended to come into contact with foodstuffs (the “Ceramic Directive”)

Hosted by MEP Anthea McINTYRE, **Vice-Chair EPCF**

European Parliament (Brussels), room ASP A1H1
Tuesday, 26 June 2018, 12:30-14:00

The EPCF lunch gathered MEPs and representatives from the European tableware industry to discuss recent developments in the revision of “the Ceramic Directive”.

LIST OF PARTICIPANTS

European Parliament

Anthea McIntyre MEP – European Parliament Ceramics Forum

Office of Angelika Niebler MEP

Office of Neena Gill MEP

Office of Werner Langen MEP

FEPF – Federation of European Tableware Producers

Renaud BATIER

Charles-Stanislas BERNARDAUD

Lauren DARBY

Stefano GIURGOLA

Anne-Laure HALPHEN

Rafael SAMPSON

Daniella VIGILANTE

Dr. Jörg WENDEL

PROCEEDINGS

Ms. **Anthea McIntyre MEP** welcomed participants and introduced the topic of discussion. The European Commission has laid out its plan to revise the “Ceramic Directive” regulating the composition of ceramic articles coming into contact with food. The **directive lays down thresholds limiting lead and cadmium; the Commission proposes lowering the thresholds significantly**. Following the introduction industry representatives shared their views and concerns with regards to the revision.

Renaud Batier, Director-General of Cerame-Unie, set out the position of the European ceramics tableware sector. He noted that should the limits for lead and cadmium in tableware be too low, they **could have a detrimental effect** on the competitiveness and creativity of European producers, particularly impacting SMEs that produce hand-painted, artisanal ware and luxury ware. **European producers rely on their competitive advantage in design and innovation to compete against low-cost, poor-quality products originating from outside the EU**, for which domestic regulations relating to lead and cadmium use are weak and unenforced.

Charles Bernardaud, of the French tableware company Bernardaud, followed by giving the French perspective. Mr Bernardaud demonstrated that **over the last 30 years, competition from low-cost countries decimated the European tableware sector**. The only companies to have survived in Europe are those that transitioned to upmarket and high-quality production.

In the discussion, Ms. Laura Küng from the Office of Angelika Niebler MEP, questioned why the industry is so concerned given that foreign importers must also comply with EU standards. Mr. Bernardaud responded that it is this **high quality and the unique ability to produce very rich and vibrant decorations that stand European producers apart from their international competitors** that are merely selling a price, as Mr. Bernardaud put it. This competitive advantage however, is precarious and reducing it would jeopardise all companies in the sector. That is to say, revising the lead and cadmium threshold to an unfeasibly low level, would effectively amount to a ban on lead and cadmium. Moreover, such a revision will have little effect on low-cost, labour-intensive countries that do not or cannot produce rich, high-quality décor and are thus only able to compete by producing a low price.

Mr. Batier added that **weak EU market surveillance is also a concern** for industry and it must be improved across the EU. Additionally, where market surveillance is enforced, it targets EU producers whereas foreign imports are rarely checked and, in fact, there have been a number of high-profile cases of customs authorities in Member States turning a blind eye to foreign imports in relation to both the levying of duties and checking of conformity to EU standards. For these reasons the industry is concerned that, firstly, foreign producers will not apply the limits and, secondly, that the product they export will not be caught as non-compliant upon entering the EU market, thus undercutting EU producers and undermining the level-playing field.

Mr. Bernardaud also noted that a number of **technical problems are foreseen in the revision** of the thresholds to the low levels proposed. For example, the absence of lead and cadmium significantly **limits the range of available colours**. For decades, the sector has been innovating to reduce the level of lead and cadmium in its products but **no lower feasible level can be reached than that which has been achieved as of today**. Moreover, companies in the sector are predominantly SMEs and it is thus difficult for many to undertake the extensive research required to reduce lead and cadmium levels whilst maintaining current levels of high quality. In fact, the proposed revision of the directive would necessitate considerable investment, including new ovens to adapt entire cooking cycles and prevent pollution. Whilst these costs are amortised over decades, the investments can amount to millions of euros and would thus be prohibitive for SMEs, which comprise the majority of the sector. **Many factory closures are expected if the directive is to be revised along the proposed lines.**

Mr. Bernardaud concluded examining the lead and cadmium levels in tableware in comparison to other consumer products and goods. The levels of **lead and cadmium released by tableware products are negligible compared to consumer products** and are only released for the first few uses. As noted, European producers have already undertaken sizeable investments in innovation to reduce the use of lead and cadmium in their colours to their current low levels. Finally, Mr. Bernardaud stated that at the **root of the industry's concerns is the lack of an impact assessment on the proposed revision**, especially in light of such catastrophic damage to the European ceramic tableware sector that this revision could precipitate.

Lastly, **Lauren Darby** of the British Ceramic Confederation (BCC) presented a British perspective on the issue, from a national association standpoint. BCC represents UK tableware and giftware manufacturers, which collectively have a turnover of around £250m with 4000 employees. In the UK, it is generally accepted that the EU food contact limits need to be revised, but in the UK, as elsewhere in Europe, they have a number of concerns about the current proposals and the potential impact on the industry. The **main concern is the additional costs and administrative burden that a new labelling and testing regime would necessitate**, particularly as it is also **likely to lead to confusion for retailers and consumers**. For example, although there may not be a strict requirement for all products to be tested, it is likely that retailers will not accept reassurances from manufacturers and will instead require test certificates at an additional cost to producers.

Whilst the UK industry acknowledges that the removal of lead and cadmium, vis-a-vis further technical advancement, would benefit the end product in terms of removing metal release, it could cost up to €50,000 per company, not taking into account the cost of extra technical staff of €20,000 per company each year. Furthermore, there are concerns about the introduction of new limits for elements other than lead and cadmium creating significant uncertainty for the sector. The reality is that EU manufacturers are already operating in a highly competitive market, with companies constantly innovating to stay competitive but **if there are large increases in compliance costs these will need to be offset and could precipitate substantial job losses, factory closures, and outsourcing of production.**

Ultimately, the reality is that **many traditional and culturally significant companies may be forced to close**, and that this is likely to **disproportionately impact SMEs in geographical clusters**, worsening the impact of such closures. It is thus critical that an impact assessment is carried out so that a fair assessment of the benefits and consequences of implementing changes to the food contact regulation are fully understood and taken into account in the decision making process.

The EPCF is a cross party discussion group with the objective of facilitating the dialogue between the European institutions and the ceramic industry on all relevant policy developments.

Cerame-Unie is the umbrella organisation representing the European ceramic industry structured in ten sectors. It covers a wide range of products including abrasives, bricks & roof tiles, clay pipes, wall & floor tiles, refractories, sanitaryware, table- & ornamentalware, technical ceramics, expanded clay and porcelain enamel. The industry generates over 200,000 direct jobs and a production value of €30 billion in the EU.