



PRESENTATION LUNCH MEETING STRASBOURG – EFEO - 14 SEPTEMBER 2022

When: Founded in 2002. Last June celebrated our 20th anniversary in the City of Grasse in France (world capital of Perfumery).

The reason why this federation was set up was due to the threat from the 7th amendment to the cosmetics directive requiring the labelling of fragrance allergens.

It was founded with a group of 47 participants from different countries in the EU and abroad. (several of which are still present here so you can imagine the amount of knowledge and experience in this room!!)

EFEO became rapidly a key stakeholder the EU institutions on very relevant topics.

Who we are?

We represent the Essential oils industry in Europe. Approximately 100 members, most of which European but also from abroad, and over 200 through national associations which are members of EFEO.

Driven by passion for the industry. We are all volunteers, in most cases suppliers, customers but also competitors between ourselves. Nevertheless, sharing the same challenges and issues. We strongly believe that supporting each other will contribute positively to the industry.

EFEO board members are also very much linked to producers (we go to the fields), understand the limitations, requirements and concerns of the growers and distillers.

Most companies we represent are **family owned SME's** who do not have the infrastructure nor experience to address these issues directly/independently. And these SME's are on its turn sustaining other small business in their area very much related with agriculture and tourism.

(Good to hear that SME's are on the EU Commission's radar)

Where are the essential oils grown in the EU?

The most influential countries are obviously the 5 largest producers of essential oils in Europe which are:

Spain: An activity concentrated in particular in Murcia and Castilla-La Mancha. Spain is the n^o 1 producer of Lemon oil in Europe with approx. 900T/annually and the 2^o largest Lavandin producer with approx.. 350T/annually. More than 5000 jobs employed.

Italy: highlight as 1^o producer of Bergamot oil which is only grown locally in Calabria region in Europe. In addition, Sicilia specialized in the production of specific Citrus oil only grown in their area. In both regions the production of essential oil is a strong pillar of the economy.



France: highlight as 1^o producer of Lavandin oil (approx. 2100T per year) by 1200 farmers, and 2^o largest producer of Lavender (140T). Lavender/Lavandin related tourism generates approx. 2 billion Euro per year. In addition, a large number of specific aromatic plants are grown notably around Grasse for fine fragrance creations.

Bulgaria: approx. 80% of global production of the Rose oil is located in Bulgaria and produced by approx. 2000 farmers, historically producing Rose oil in the Rose valley for over centuries. 1^o producer by far of Lavender oil globally of approx. 450T per year

Why are we here?

We are fully committed to make the European Green Deal a success.

Everybody agrees that the development of safe and sustainable products by design must help to achieve the objectives of the Green Deal. In that context, the products of natural and renewable origin, by essence sustainable, could play a key role in facilitating the development of a circular and sustainable economy.

This is clearly a role essential oils are already playing and could be strengthened in the future

Essential oils are Natural Complex Substances which fall within the scope of the regulations on chemical products in Europe (REACH and CLP) despite the sector's alerts on the specificities of natural products at the time of the adoption of the two Regulations. However, because they were convinced by the importance of such Regulations, farmers and distillers have always made the maximum effort to meet the requirements of those regulations. _

Today, the European Commission wants to strengthen the REACH and CLP regulations as part of the "Chemicals Strategy for Sustainability".

Indeed, some measures could have a major impact on the viability of essential oils, although the sector is not the primary target of these measures. These proposals prove almost impossible to implement and put at stake the continuity of the production and use of essential oils.

What are the main threats?

THREAT 1 – The evaluation of essential oils on the basis of constituents without being allowed to test the essential oil as a whole

Essential oils are a natural product of agricultural origin, with heterogeneous components that cannot be formulated or dosed. An essential oil cannot be reproduced chemically by the addition of its individual components. An essential oil is therefore intrinsically a substance, similarly to vegetable oils, and not a mixture of ingredients, that taken separately could not enable its full identification. Moreover, some constituents do not even exist in the commercial domain. This is why it must be allowed to assess **the safety of an essential oil as a whole (essential oil test)**.

THREAT 2 – The increase in REACH dossier requirements, especially for small volumes

This measure should concern all distilleries and in particular the smallest producing less than 10 tonnes per year, putting at stake their economic survival. The relation cost/impact/benefit of lowering the threshold does not seem to us to be established.



THREAT 3 – Taking into account the hazards and not the risks

The hazard assessment approach automatically discards all products deemed potentially dangerous without taking into account their dosage, exposure and actual use.

What difference does it make? This principle would favour bans without first exploring the possibility of assessing the risk.

Conclusion

The European Federation of Essential Oils (EFEO) wants essential oils to be regulated through relevant and proportionate measures that guarantee consumer safety and environmental protection. EFEO is therefore calling for **the development of a specific approach, taking into account the particularities of essential oils, within the framework of current regulations, in consultation with the National and European authorities.**

If the asks of the sector are not heard, EFEO recalls that the consequences will be dramatic , because a large number of essential oils could disappear from products intended for consumers due to assessments not suitable for essential oils.

FINALIZE THE PRESENTATION WITH FOLLOWING KEY WORDS:

- 1) ESSENTIAL OILS ARE AN AGRICULTURAL PRODUCT (not a synthetic chemical composition)**
- 2) ESSENTIAL OILS FIT PERFECTLY IN THE GREEN DEAL (eg CO2 emissions reduced through lemon oil tree plantations)**
- 3) REDUCE NEGATIVE IMPACT OF ESSENTIAL OILS BEING IN THE SPOTLIGHT DUE TO THESE POSSIBLE COUNTERPRODUCTIVE NEW REGULATIONS.**

Thank you for your attention

Manolo Donaire

President EFEO