REQUEST FOR ADDITONAL INFORMATION

Legal name of applicant(s): Neoperl GmbH

Submitted by: Neoperl GmbH

Date: 14 July 2021

Substance: Acid generated from chromium trioxide and their oligomers, EC 231-801-5, 236-881-5

Use title: The use of chromic acid in the functional electroplating of brass-made sanitary articles with the specific purpose of obtaining a final Cr(0) coating that provides a surface with high durability and chemical resistance.

Use number: Use 1

Communication Number: AFA-C-2114561827-37-01/F

Submission Number: KB817823-47

	ECHA Request	Applicant Response
SEAC Questions		
1	In your response to question No.2 of the 1st round of questions on the substitution plan (page 22), it is stated that the electroplating plant is running at 100% capacity. Please explain your strategy to satisfy the regular supply of your customers in case of contingencies, for example during the production process or the delivery process etc., currently and after the end of the review period.	In the SEA report sections 2.4. (Definition of the "Non-use" scenario) and 3.3.4 (Loss of profit) it was described that the applicant utilizes around Blank 2 percent job plating shops in order to balance the production capacity with the orders demanded by customers. As of today (July 2021), c.a. Blank 2 percent additional capacity by outsourcing of Cr(VI)-based plating to Blank 2 third-parties are being employed. The use of external job shop platers allows the applicant to handle contingencies and maintain regular supply to customers. Please note that the use of Cr(VI) by external job shop platers is covered by the CTAC AfA and it is not included in this AfA but it will stop as the market demand for Cr(VI) plated products decreases.
2	In the application, a 10-year review period is requested, and in the AoA document Table 3-4 it can be seen that your customers' review periods are 12 years. Please explain your plan to supply your customers with plated parts regularly after the expiration of the review period that you requested (i.e. between 10 and 12 years).	Since it is recognised by the applicant that the European chrome plating industry works towards achieving an alternative processes in order to replace Cr(VI)-based electroplating, the applicant assumes that the overall willingness of the market to change to an alternative process is high and the applicant's willingness to do so may even be seen as a competitive advantage. The applicant is convinced that the Cr(III)-based plating process will be successfully set up within the review period applied for. This requested review period includes a dedicated phase-in / phase-out period as described in the Substitution Plan and in Table 2-7 of the SEA (page 23). Within this period, it is expected most of Neoperl´s customers will progressively switch to request for Cr(III)-plated products. In addition, please note that the major customers have applied for authorisation for a period to end in 2031, which is in line with the 10-year review period requested by Neoperl.
3	Please comment if the test results presented in Table II in your reply to question No.8 of the 1st round of questions on the AoA (page 20), allow to conclude that the entire product portfolio could switch to Cr(III)-plated parts successfully.	The current testing progression is phased which means it is not clear that it will be possible to switch the entire product portfolio to Cr(III)-based plating. However, this can be reasonably anticipated. The applicant is currently working intensively with the suppliers of Cr(III)-based processes in order to test the alternative to check if this technology can fulfil customers' requirements in terms of quality, corrosion resistance, colour fidelity and wear behavior. Neoperl expect results of this testing in the near future. In addition, it is the applicant´s opinion that end consumers will have to adjust to the somewhat different Cr(III)-based plated products. However, the specifications for any change will finally be dictated by Neoperl´s faucet customers. Furthermore, following a product innovation approach, Neoperl has started a project that considers redesigning the aerators so that they can be mounted directly on the faucets, i.e. dispensing with

<table>
<tr><td></td><td></td><td>additional chrome-plated housings. The first products are already on the market and the willingness of the market to accept this is being closely monitored. Depending on the success of this market launch, the chrome-plated products range may be significantly reduced in the future, however it is too early in this innovation process to be able to estimate the impact of market success. In other words, the applicant is not only actively seeking a replacement technology for the current Cr(VI) plating, they are also innovating new products that do not depend on Cr(VI) technology. The willingness of the market to accept such innovations is currently being tested with one product, as is outlined above.</td></tr>
<tr><td>4</td><td>Could you please provide an update of Table 3-4 of the SEA (page 37), and add non-confidential figures or ranges for the monetisation of the non-fatal cases?</td><td>Resp. Table 3-4 of the SEA has been updated to include non-fatal cases in the Human health impact assessment (right column: VCM).

Table 3-4 Human health impact assessment (fatal cases and non-fatal cases)
<table>
<tr><th></th><th>Lower VSL</th><th>Upper VSL</th><th>VCM</th></tr>
<tr><td>Indicative value of avoided cancer</td><td>3,500,000 €</td><td>5,000,000 €</td><td>410,000 €</td></tr>
<tr><td>Excess Annual Risk (occupational exposure - inhalation)</td><td>$7.20*10^{-5}$</td><td>$7.20*10^{-5}$</td><td>$1.52*10^{-5}$</td></tr>
<tr><td>Excess Risk 10-year review period (occupational exposure - inhalation)</td><td>$7.20*10^{-4}$</td><td>$7.20*10^{-4}$</td><td>$1.52*10^{-4}$</td></tr>
<tr><td>Value of avoided excess cancer risk over review period (occupational exposure - inhalation)</td><td>2,520 €</td><td>3,600 €</td><td>62,50 €</td></tr>
<tr><td>Excess Annual Risk (Human via the Environment – oral & inhalation)</td><td>$1.12*10^{-5}$</td><td>$1.12*10^{-5}$</td><td>$3.52*10^{-6}$</td></tr>
<tr><td>Excess Risk 10-year review period (Human via the Environment – oral & inhalation)</td><td>$1.12*10^{-4}$</td><td>$1.12*10^{-4}$</td><td>$3.52*10^{-5}$</td></tr>
<tr><td>Value of avoided excess cancer risk over review period (Human via the Environment – oral & inhalation)</td><td>391.75 €</td><td>559 €</td><td>14.43 €</td></tr>
<tr><td>Overall total health impacts per year</td><td>2,911,75 €</td><td>4,159.64 €</td><td>76,93 €</td></tr>
<tr><td>NPV of total human health impact over 10 years</td><td>23,617 €</td><td>33,738 €</td><td>624 €</td></tr>
</table>
VSL: Value of Statistical Life; VCM: Value of Cancer Morbidity; NPV: Net Present Value.</td></tr>
</table>

5	SEAC has very much appreciated the fact that the applicant provided non-confidential ranges for the relevant estimates. However, SEAC notes that some ranges could be narrowed for the benefit of the SEAC assessment of impacts of the non-use scenario. For instance, the ranges of unemployment (5-500 jobs) are rather broad and don't necessarily help the applicant, at least in its lower bound, in making the case. Could you please provide narrower non-confidential ranges?	**Resp.** A new Public version of the SEA report has been produced, which shows the revised non-confidential ranges. This version is provided as an attachment to this request for additional information.

ANNEX – JUSTIFICATIONS FOR CONFIDENTIALITY CLAIMS

The confidentiality claims made in this report generally fall into two cases. Those cases and their justification are described below. Following that explanation is a summary table, which enumerates each instance of confidential information, which has been redacted in this report.

- **Blank 1**: Proprietary manufacturing information

  The details of how the applicant makes its products are confidential for the following reasons.

  - Demonstration of commercial interest. The details of product manufacture are closely held to prevent competitors from replicating procedures and procedures conditions. These details are only shared under strong non-disclosure agreements and are not made publicly available.
  - Demonstration of potential harm. If process information were to be revealed, competitors could try to copy the design and process, leading to loss of knowhow and market position. Even a portion of the full process information could be used to “reverse engineer” the process.
  - Limitation to validity of claim. This claim is valid indefinitely.

- **Blank 2:** Cost and time information
  - Demonstration of commercial interest. Information on the cost and time to substitute Cr(VI) could be used to calculate the applicant’s production cost and Cr(VI)-free products forecasted availability, which could be used by competitors to gain a market advantage or by suppliers to drive up the value of crucial materials. This also applies to historical investments incurred by the applicant as well as business performance figures, applicant´s market position, applicant client’s names and suppliers.
  - Demonstration of potential harm. Disclosure of the cost and time of substitution could harm the applicant’s business by giving insights to competitors and revealing potential vulnerabilities to suppliers.
  - Limitation to validity of claim. This claim is valid indefinitely.