



**REPORT OF THE FIFTEENTH MEETING OF
ASEAN COSMETIC COMMITTEE (ACC)
17-18 NOVEMBER 2010**

INTRODUCTION

The 15th ACC Meeting was held on 17-18 November 2010 in Hanoi, Vietnam.

The Meeting was attended by delegates from Brunei Darussalam, Indonesia, Lao PDR, Malaysia, Philippines, Singapore, Thailand, Viet Nam, representatives from the ASEAN Secretariat and the ASEAN Cosmetic Association (ACA). Representatives from the Cosmetic industry of ASEAN Member States were also in attendance as observers.

**UPDATE OF THE LATEST DEVELOPMENT ON ECONOMIC INTEGRATION
AND OTHER DECISIONS IMPACTING THE COSMETIC SECTOR**

The ASEAN Secretariat updated the Meeting on the recent developments in the ASEAN economic integration agenda and the relevant decisions made by the ASEAN Summit, AEC Council, and AEM, Senior Economic Officers Meeting (SEOM) and the 35th ACCSQ Meeting and other developments related to cosmetic sector.

OUTCOME FORM THE ACC HOD MEETING

The Chair of ACC briefed the Meeting on the decisions made by the Heads of Delegation (HoD) Meeting during the ACC HoD held on 16 November 2010 and provided updates on:

- Database of notified products: since many countries are using manual notification, there is no regional database at this point. It should be envisaged in the future;
- Establishment of ASEAN Cosmetic Testing Laboratory Network: Singapore and Thailand agreed to hold a Workshop at the time of the next meeting in June 2011;
- Structure of ACC:
 - Reviewed the structure of the ACC to strengthen its efforts through the participation of the appropriate representatives at the various forums;
 - Considered the options for holding closed-door sessions among regulators to discuss regulatory issues among ASEAN member states;
 - Considered the options for communication plans and outreach to the stakeholders and;
 - Agreed to hold a half day public-private forum followed by a half-day closed door HoD Meeting on the same day, to be followed by the ACSB and ACC meeting with effect from the 17th ACC Meeting (end 2011). Following a request for clarification it was mentioned that the Forum will be a working meeting not an information meeting;
- Additional requirements imposed by AMS beyond the ACD:
 - Reviewed the requirements for printing of notification numbers on labels of cosmetic products and certificate of free sale (CFS);
 - Discussed the rationale for the member states to impose these requirements and noted the challenges faced by the post market surveillance when verifying the status of the products;
 - Member states to further discuss on this issue as the Industry objected that printing the notification number in each country will be a huge cost and create delays in shipping the products to markets;
- Requirements for clarification of the role of regulators;
- Engaging the Industry:
 - Considered the proposal from the ASEAN Secretariat for the organization of the public-private forum as a means of outreach to the business community;
 - Agreed to organize the public-private forum during the 17th ACC Meeting;

PROGRESS OF THE IMPLEMENTATION OF THE ASEAN COSMETIC DIRECTIVE

1 Status of implementation of the notification system for placement of cosmetic products by ASEAN Member States

Member States updated the Meeting on the status of implementation of the appropriate measures to support the notification for placement of cosmetic products by

manufacturers, including the efforts taken for the publication of notified products on their respective websites.

2 Issues faced by the industry following the implementation of the ASEAN Cosmetic Directive

The representative from the ASEAN Cosmetic Association (ACA) provided feedback to the Meeting on the issues faced by the industry following the implementation of the ASEAN Cosmetic Directive (ACD).

Progress made

- Illustrative list of cosmetic: there are no OTC or borderline products;
- Positive list – colorants, preservatives, UV Filters;
- Negative List-Banned or restricted ingredients;
- Myanmar has announced her intention to implement the ACD, but has not provided any updates on the modalities;
- Indonesia will start on 1 January 2011 and implement the ACD in full for all products;

Challenges:

- Inconsistency for the 3 days acknowledgement period, this varies between a few minutes and 2 weeks. But it is a great progress compared to the registration periods which was before;
- Requirements of printing of Notification Numbers on label: the industry recognizes the requirements from regulators for easy to identify products, but does not think that printing of the notification number will solve it and it will be at a cost;

Recommendations:

- Expedite an online submission for those countries which are still on a manual system;
- Develop best practice for online system;
- Create a Help centre to assist the industry;

Understanding of the ACD:

Training:

- Notification procedures have been effective;
- Limited understanding of PIF by some of the SMEs;

Challenges:

- Different interpretation between countries e.g. ingredient listings;
- Gaps still exist especially among SMEs;
- No data base for SME;

Recommendations:

- Develop hands-on training programs which ACA has started to do;
- Organize train the trainers programs at the national level;
- Dissemination of ACD information through media and campaigns;
- Inclusion of ACD in tertiary education (Universities);
- Raising the consumer awareness on the safe use of cosmetic products;

3 Raising consumer awareness on the implication of ACD and the use of safe cosmetic products

- The Meeting explored the strategies towards raising consumer awareness and understanding on the safe use of cosmetics. ACA volunteered to work with Member States interested on a “Consumer Booklet”;

4 Enhancing the capability of SMEs to comply with the ACD

The Meeting discussed the feedback from the Member states with regards to the capability of the small and medium enterprises (SMEs) to meet the requirements of the ACD, the challenges faced with the preparation of the Product Information File (PIF), compliance to the GMP requirements and issues related to the compliancy to safety. ACA informed the meeting of its activities in establishing hands-on training specifically targeting SMEs;

5 Post Market Surveillance

The Meeting discussed regional efforts in post market surveillance of cosmetic products as sustainable measures to combat counterfeit/fake cosmetic products and to continue to stress the importance of the safety, quality and claimed benefits of the cosmetic products.

Member states updated the meeting on the national efforts taken by their respective enforcement authorities on the post market surveillance of cosmetic products for the effective implementation of the ACD and the key problems encountered.

REPORT OF THE 14TH ASEAN COSMETIC SCIENTIFIC BODY MEETING

Please refer to attached table for summary.

TECHNICAL ASSISTANCE AND CAPACITY BUILDING PROGRAMME FOR THE COSMETIC SECTOR

The ASEAN Secretariat updated the Meeting on the pertinent findings and recommendations made from survey carried out by APRIS II on the implementation of the ACD.

The Meeting discussed and endorsed the proposal for technical assistance and capacity for the cosmetic sector under the ASEAN-EU Programme for Regional Integration Support 3 (APRIS III) to ensure effective implementation of the ACD.

OTHER MATTERS

1 ASEAN-China cooperation in the cosmetic sector

The ASEAN Secretariat updated the meeting on the outcome of the 4th ACCSQ-AQSIQ Meeting in August 2010 and any progress made to date, with regards to the issues raised by the ASEAN cosmetics industry on the challenges faced when placing products in China.

The Meeting discussed the progress made with the concerns raised to the ACCSQ-AQSIQ Meeting and considered follow-up actions as necessary.

2 Organization of a Cosmetic CEO Forum by ACA

The representative from ACA briefed the meeting on the progress made with regards to the organization of the Cosmetic CEO Forum and the status of the proposal for consideration by the relevant sectoral bodies in ASEAN such as customs, rules of origin, intellectual property and healthcare.

The date is confirmed to be held on 17 February 2011 in Singapore.

Objectives:

- Create a networking and business opportunity between cosmetic companies (manufacturers, raw materials suppliers);
- Discuss various topics impacting the growth of the cosmetic industry and come up with an action plan for the association for the years to come;
- Take the opportunity to invite some government speakers to share with us the investment policies of few specific countries and progress in ASEAN Economic Integration;

Agenda

- Industry round table discussion on future perspective and growth:
 - Supply Chain & Logistics;
 - R&D;
 - Intellectual Property;
- Investment opportunities in Indonesia, Philippines, Thailand and Vietnam supported by the Investment Boards of the respective countries;
- Update on ASEAN Economic Integration:
 - Progress in AEC;
 - Progress in ASEAN FTA negotiation with dialogue partners;

Speakers

- Industry speakers;
- Speakers from Governments of Indonesia, Philippines, Thailand and Vietnam;
- Speakers from the ASEAN Secretariat giving update on AEC and FTAs;

Participation

- Open for participants to register: www.aseancosmetics.org
- Invite ACC Chair to attend as ACA guest of honor;

3 Pool of Safety Experts

Malaysia proposed a new initiative at the national level to establish a pool of safety experts for the cosmetic sector and will explore the possibility of extending it at the regional level. Malaysia will provide further information at the next ACC meeting.

4. Structure and Operations of ACA

Malaysia sought clarification from ACA on more information on the structure and operations of ACA. The ACA clarified that the organization structure and action plan were presented at the 13th ACC meeting held in December 2009 in Chiangmai, Thailand and also available on ACA website. ACA agreed to make a presentation at the 16th ACC to update on the progress of the activities.

DATE AND VENUE OF THE 16TH ACC MEETING

The Meeting thanked Brunei Darussalam for their gracious offer to host the 16th ACC Meeting which will be held in mid June 2011. The meeting also requested Brunei Darussalam to consider holding a one-day meeting for the ACTLN Experts' Group back to back with the 16th ACC Meeting.

The Meeting requested Cambodia to host the 17th ACC meeting during the second half of 2011.