

Code of Conduct for the prevention of illicit manufacture of explosives using Hydrogen Peroxide

1. INTRODUCTION AND OBJECTIVES

The European manufacturers of hydrogen peroxide affiliated to Cefic's Hydrogen Peroxide Sector Group have prepared this Code of Conduct to help companies that are involved in the manufacture, distribution, supply or use of hydrogen peroxide solutions to adopt a risk-based approach in support of the EU-wide measures to prevent the illicit use of hydrogen peroxide solutions in the manufacture of illegal explosives.

The Code aims to:

- Explain the regulatory obligations under Regulation (EU) 2019/1148,
- Create awareness throughout the Supply Chain (staff, carriers, customers) of the risks related to explosives precursors,
- Encourage vigilance at the production, storage, sale and transport stages,
- Increase co-operation and information exchange between companies in the supply chain and with the authorities,
- Undertake monitoring of hydrogen peroxide that could be diverted for use in the manufacture of illegal explosives.

Adherence to this Code of Conduct is voluntary and open to any interested company. The list of companies that have adhered to this Code is available in Annex 1.

2. SCOPE

This Code of Conduct applies to hydrogen peroxide (CAS-N° 7722-84-1) in aqueous solutions and cover all transactions of H2O2 originating in the EEA (European Economic Area).

Note: several countries have issued additional requirements as well as a complete ban of the sale of hydrogen peroxide above 12% to the general public. In addition to Regulation EU 2019/1148, companies also need to comply with national requirements.



3. COMMITMENT

Our Companies, listed in Annex 1, are committed to support all initiatives to prevent the misuse of hydrogen peroxide for the illicit manufacture of explosives. Through our words and actions we ensure that our commitment is implemented throughout our organisations and communicated to relevant stakeholders.

4. SPECIFIC MEASURES

4.1. Appointing “nominated person(s)”

The company concerned will nominate one or more person(s) and clearly define the duties, role and powers of these individuals; the “nominated person(s)” could be a manager in charge, for example, of sales, logistics, quality-assurance, health and safety or legal/administrative matters. Each company is free to organize itself internally in order to provide an efficient, reactive response to situations requiring communication with the authorities.

The “nominated person(s)” uses their expertise and knowledge concerning the European Regulation to assure, to the best of their ability compliance with European law.

The “nominated person(s)” will play a key role in the monitoring system: as part of their obligation to exercise due care, they will be responsible for coordinating all matters relating to the control of the substance covered by this Code of Conduct.

They seek to ensure close co-operation between the company/establishment and the appropriate country authority. The “nominated person(s)” will ensure that in-house vigilance and monitoring procedures have been set up and any evidence of non-compliance shall be reported to senior management:

- A mechanism for the verification of sales transactions to economic operators, professionals or the general public, has been put in place in their organization and with a data retention period according to the applicable law;
- Regular awareness-building programs for personnel involved in sales, production, logistics and management;
- Communication of the regulation’s requirements through the supply chain;
- Notification of any suspicious or manifestly unusual inquiry or order relating to the product to the appropriate country authorities within 24 hours from identified as a suspicious transaction;
- Report significant disappearances and thefts within 24 hours of detection.

4.2. Verification of Sales / Transaction Monitoring

In order to verify that a prospective customer is a professional user or another economic operator, Regulation (EU) 2019/1148 requires that for each transaction or annually, information concerning proof of identity, company registration and intended use is obtained. This information must be retained for 18 months from the date of the transaction and made available

to Authorities in case of inspection. The “nominated person(s)” ensure that the organization is set up to perform these verifications and information available in case of inspection.

This must be carried out, particularly in the case of sales of small quantities (also known as “counter sales”), requests for or supply of samples and disposal of these substances. Monitoring is based on identifying factors likely to arouse suspicion and notifying them to the appropriate country authorities.

4.3. Storage

As appropriate and practical, companies adhering to this Code of Conduct will make arrangements to ensure their storage area is secure.

4.4. Training / Informing the Supply Chain / Building Awareness

The “nominated person(s)” will raise staff awareness regarding the substance.

The staff affected are managers and individuals in sales, operating and logistics departments who supervise staff whose jobs entail warehousing, handling, selling, transporting and using this substance. Awareness-building must be accompanied by introduction of appropriate in-house vigilance and monitoring procedures.

By way of awareness-building among staff, “nominated person(s)” will arrange briefing sessions on the subject of monitoring the substances.

Companies will inform the Supply Chain that the acquisition, introduction, possession or use of hydrogen peroxide by the public is subject to a restriction. As an example, companies may include that information in the Safety Data Sheet according to (EC) No 1907/2006 of the European Parliament and of the Council (REACH).

Companies will also work with industry associations and national authorities to create awareness. One example is an E-learning tool created by the Hydrogen Peroxide Sector Group to communicate with the supply chain, as they see fit.

Companies will do their best to discourage practices which are not considered responsible in order to minimise the risk that the substance falls into the hands of individuals wanting to manufacture illegal explosives.

4.5. Reporting of suspicious transactions, disappearances and thefts

When, as discreetly as possible the “nominated person(s)” or representative has been informed of any suspicious transaction or circumstance, they will ensure the competent authority is contacted within 24 hours.

These suspicious circumstances may arise from attempts to order or request information on the substance. Staff in direct contact with the prospective customer should seek to capture as much

information as possible¹. The “nominated person” will report, wherever possible, the place, time, basic substance, quantity involved, details on the legal entity and cooperate in any public investigation/prosecution to the fullest possible extent in compliance with data protection rules.

However, caution will be taken not to alert the suspicious person by his behaviour or by excessive questions.

This information will enable the appropriate authority to make any checks and inquiries necessary.

To allow the investigating authorities to work effectively, it is essential for the transaction concerned to be pursued in an apparently natural way.

The “nominated person(s)” or representatives will report:

- any suspicious order, inquiry or request for information;
- deliveries not made on the ground of such suspicion as well as any other suspicious factor or circumstance;
- any other facts of which he is aware and which may be pertinent to an investigation into a suspicious transaction (unjustified break of bulk, unusual change of route, unusual delivery period, disposal, sampling, disappearance, etc.).

Upon the competent authority’s request, the “nominated person(s)” will place the relevant commercial documents at its disposal and provide access to production and storage sites and facilities, establishments, administrative and office equipment, and available samples of goods.

4.6. Including the Code of Conduct in Internal Management Systems

Each company adhering to this Code of Conduct will undertake to implement the measures in this Code of Conduct at its head office and operating locations handling Hydrogen Peroxide; it will ensure that the procedures described in this Code of Conduct are included in the company’s internal rules of management.

¹ In compliance with applicable data protection regulations.

ANNEX 1 - LIST OF COMPANIES

Arkema France

Belinka Perkemija D.O.O.

Ercros SA

Evonik Resource Efficiency GmbH

Kemira Oyj

Nouryon

Solvay SA

THIRD PARTY REFERENCE DOCUMENTS

EUROPEAN COMMISSION

The European Commission's Standing Committee on Precursors (SCP) has issued [Guidelines](#) available in all official EU languages, which provides guidance to Member State competent authorities and to economic operators in the implementation of the requirements contained in [Regulation 2019/1148 on the marketing and use of explosives precursors](#).

The SCP Guidelines also offer advice on good practice to economic operators.

Additional information available at [DG Home webpage](#) including:

- List of national measures
- List of designated competent authorities and national contact points for the notification of suspicious transactions, thefts and disappearances

FECC

European Association of Chemical Distributors:

[FECC Model Agreement](#) on voluntary measures on substances subject to trade controls

DISCLAIMER:

This Code of Conduct was prepared by Cefic's Peroxygens Sector Group in order to help companies contribute to the prevention of the illicit use of Hydrogen Peroxide in the manufacture of illegal explosives. The information in this document is provided in good faith but no representations or warranties are made with regard to its completeness.

Each company should decide based on their own decision-making process to adopt the Code of Conduct, in full, partly or to adopt other measures. Companies alone remain responsible for conformity to obligations set forth in Regulation EU 2019/1148 and for applicable national legislation.