



## Global Cosmetic Industry, February 2019

### 2019'S INGREDIENT REGULATION PREVIEW

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For brands, suppliers, formulators and retailers, there are many ingredient-related issues to look out for in 2019.

#### Disclosure & Transparency

Ingredient disclosure of "fragrance" has been a long-standing point of contention between industry and activists. Keep an eye out for potential legislation aimed at requiring labeling or disclosure of the ingredients in "fragrance."

Pressure has increased since a California-based NGO, Breast Cancer Prevention Partners, published a report<sup>1</sup> attacking fragrance materials in beauty and personal care products. While our industry has had a long record of mandatory ingredient disclosure, protecting the confidential business information in fragrance formulas is critical.

Meanwhile, the European Union is poised to establish a new glossary of common cosmetic ingredients, according to a draft notification sent from the European Commission to the World Trade Organization. The draft notification states that the proposed glossary would comprise "common ingredient names for use in cosmetic products, to ensure uniform labeling and facilitate identification of cosmetic ingredients<sup>2</sup>."

#### Ingredient Bans

In 2018, Hawaii banned oxybenzone and octinoxate in sunscreen products, forcing brands and suppliers to scramble. The general industry consensus is that this law was based on extremely limited science, which nonetheless sets a precedent for other ingredients to follow.

Therefore, individual ingredient bans will continue to be a hot button in 2019—whether or not they're supported by sound science.

#### More Data Needed

Ingredients are also being evaluated, creating new guidance for the industry. For instance, the EU's Scientific Committee on Consumer Safety (SCCS) published its opinion of salicylic acid supporting its use as a preservative and cosmetic ingredient, within certain limits. Its approval for use in anti-acne products, however, requires additional exposure information<sup>3</sup>.

#### Retailer Ingredient Considerations

Retailers are now adding their opinions and standards to the ingredient conversation. Indeed, The Detox Market, Credo, Clean at Sephora, SpaceNK and even Target have defined their own standards of what is acceptable in their products or not.

<sup>1</sup>Right to Know: Exposing Toxic Fragrance Chemicals Report, [www.bcpp.org/resource/right-to-know-exposing-toxic-fragrance-chemicals-report/](http://www.bcpp.org/resource/right-to-know-exposing-toxic-fragrance-chemicals-report/)

<sup>2</sup>The notification (G/181/NEU/637) and corresponding drafts can be found at [www.ec.europa.eu](http://www.ec.europa.eu).

<sup>3</sup>[https://ec.europa.eu/health/scientific\\_committees/consumer\\_safety\\_en](https://ec.europa.eu/health/scientific_committees/consumer_safety_en)



Greater scrutiny of ingredients—and perhaps regulations—lie ahead in 2019.

Who is right? Who is not? This, I believe, is not the real question. While one may argue that different standards in different retailers may further confuse consumers, it is not much different than purchasing carrots at Safeway versus at Whole Foods—consumers know they are getting a product made according to different standards and may or may not care.

Different options appeal to different consumers. It also cannot be ignored that retailer-specific specifications create points of difference in a competitive market.

"Ingredients and safety are a hot button issue in the beauty world, and for good reason," says Elena Severin, director of brand partnerships for The Detox Market<sup>4</sup>. "Within the past two decades, Europe has banned [about] 1,400 cosmetic ingredients<sup>5</sup> that are possible allergens or pose potential health risks. The United States has only banned 30. The Detox Market never wants to use scare tactics when talking about ingredients. Our mission is to educate consumers with up to date research and facts."

Severin adds, "Our current Ingredient Standards list is about to be updated again early in 2019 to reflect the most up to date information. The new list will include phenoxyethanol as a banned ingredient. Other ingredients we are currently reviewing are: Japanese honeysuckle (mimics a paraben)

<sup>4</sup>Read The Detox Market's ingredient standards at [www.thedetoxmarket.com/pages/ingredient-standards](http://www.thedetoxmarket.com/pages/ingredient-standards)

<sup>5</sup>This discrepancy derives in part from the U.S. use of risk analysis, rather than the application of the precautionary principle, as in Europe. Consensus on the preferred method is unsettled, with downsides cited in both systems. To learn more about the two assessment frameworks, see C. Star, "The precautionary principle versus risk analysis," *Risk Anal.* 2003 Feb;23(1):1-3. Another cause for the discrepancy is the EU's banning of ingredients that have never been used in cosmetics, such as gases and liquids derived from petroleum and gas cracking. Many of these materials are mentioned in the "List of substances banned for use in cosmetic products - CMR substances of category 1A, 1B or 2," which can be found at <http://ec.europa.eu>.

and benzyl alcohol (which in small percentages is safe, but if a brand cannot provide the percentage, how can we be sure?).”

She concludes, “Sourcing is also a big question. Palm oil, coconut oil and argan oil are examples of ingredients that are now widely used but can be sourced quite unethically.”

As for the relationship between retailers and brands, Severin says, “I’m an idealist. I genuinely believe that brand founders do not set out to use unsafe ingredients and formulations when creating their products. As the cosmetics industry grows and more brands enter the playing field every day, it’s easy to look the other way when labs are sending a brand samples for a product they have been working on for months and a launch deadline is looming.”

Severin adds, “The ironic thing is that there are now so many safe and, many times, inexpensive alternatives to their toxic counterparts that it’s hard to understand why anyone would choose the questionable formulation.”

## Capitalism-powered Activism

It’s not surprising that the Environmental Working Group, an organization that has its own ingredient standards, is a prominent ingredient transparency activist. However, a number of brands and retailers, including Think Dirty, are now moving beyond in-house standards and getting more involved in lobbying government for a more stringent look at the ingredients used in cosmetics.

Beautycounter, for example, is very vocal in its approach to ingredients and policy-related actions to strengthen the standards of “clean.” In May 2018, Beautycounter reps visited Capitol Hill to lobby Congress to act on preventing “harmful” ingredients from being used in beauty and personal care.

Much of this activism derives from an embrace of the precautionary principle<sup>1</sup>, which resists the introduction of ingredients, processes and products with unknown or disputed impacts.

“Our approach is that we follow the precautionary principle,” says Lily Tse, founder of Think Dirty. “It generally defines actions on issues considered to be uncertain, for instance, applied in assessing risk management. Since policy usually takes longer, as per the article [from the] New York Times in 2014, ‘Making Chemistry Green’, it takes about 14 years from the point at which safety issues are raised about a chemical before scientists’ concern peaks and regulators act. In our opinion, that’s too long and too late.” She adds, “[L]ook at the recent breaking Reuters investigation of Johnson’s baby powder<sup>2</sup>. Over 40 years, consumers have been using the products. This philosophy guides our ratings.”

Tse continues, “In Canada, we had a report done by the Auditor General in 2016<sup>3</sup> and have made recommendations how Health Canada should inform



Beautycounter is very vocal in its approach to ingredients and policy-related actions to strengthen the standards of “clean”; pictured is the company’s New York storefront.

consumers that it does not regularly test cosmetic products for prohibited and restricted substances, microbial contamination and heavy metals.”

As for what’s next, Tse says, “The latest, in terms of regulation, is the update of the chemical management plan. The Chemicals Management Plan (CMP)<sup>4</sup> is a Government of Canada initiative aimed at reducing the risks posed by chemicals to Canadians and their environment. The next phase of the CMP, launched in May 2016, will address the remaining 1,550 priority chemicals out of the original 4,300 chemicals identified as priorities during the categorization. The Minister of Health and the Minister of Environment and Climate Change have committed to addressing these chemicals by 2020.”

## How to Keep Up with Shifting Regulatory Activity

With so many conversations happening about regulations and ingredients, how is one to keep everything straight? To start, I have compiled a list of “ingredients to watch for” with an overview of the various opinions that matter to me. This is not exhaustive, but I hope you will find it useful. To access a free copy, turn to **Page DE1** of your digital edition or visit [www.gcimagazine.com/magazine/pastissues/2019/](http://www.gcimagazine.com/magazine/pastissues/2019/) and click on the February issue.

In addition, keep reading your trade magazines, participate in your trade organizations, and call your Congressperson or lawmakers when necessary. In our industry, the only constant is change. Engagement is the best way to address the ongoing volatility. ■

<sup>1</sup>[www.canada.ca/en/health-canada/services/chemical-substances/chemicals-management-plan.html](http://www.canada.ca/en/health-canada/services/chemical-substances/chemicals-management-plan.html)

<sup>1</sup>D Kriebel, et al., “The precautionary principle in environmental science,” *Environ Health Perspect.*, 2001 Sep, 109(9): 871–876.

<sup>2</sup>Rolf U. Halden and Robert S. Lawrence, “Making Chemistry Green”; [www.nytimes.com/2014/11/10/opinion/making-chemistry-green.html](http://www.nytimes.com/2014/11/10/opinion/making-chemistry-green.html)

<sup>3</sup>Lisa Girion, “Johnson & Johnson knew for decades that asbestos lurked in its Baby Powder,” [www.reuters.com/investigates/special-report/johnsonand-johnson-cancer/](http://www.reuters.com/investigates/special-report/johnsonand-johnson-cancer/)

<sup>4</sup>[www.oag-bvg.gc.ca/internet/English/att\\_e\\_41394.html](http://www.oag-bvg.gc.ca/internet/English/att_e_41394.html)



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