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| **№** **May, 2016****TO: to be added** |  |

Cosmetics Europe - The Personal Care Association
Avenue Herrmann Debroux 40
B-1160 Auderghem
Brussels
Belgium

***Subject:*** *Issue regarding the Recommendation of the Ministry of Economic Development and Trade of Ukraine (hereinafter - Ministry of Economy) on usage of Chemical Composition Description in Ukrainian Language in Products Labelling.*

**Dear Sir or Madam,**

On behalf of the Board of Directors of the American Chamber of Commerce in Ukraine (hereinafter – Chamber) and on my own behalf, I would like to express our deep respect and take this opportunity to address you with the following.

Chamber is one of the most active and effective non-governmental, non-profit business associations operating in Ukraine. One of the principal activities of the Chamber is to represent the foreign and domestic investors operating in Ukraine, which are the largest taxpayers and employers, as well as to facilitate the entry of potential new investors into this market. The Chamber advocates on behalf of its Member companies who are from more than 50 nations across the globe not only to the Ukrainian government, but also to governments of other states, which are economic partners of Ukraine, on matters related to economic reforms.

**Background:**

Ministry of Health of Ukraine has developed a draft of Technical Regulation for Cosmetic Products (hereinafter – the Draft), based on EU Regulation #1223/2009. The draft was officially published on the web site of the Ministry of Health and was available for public comments till January 14, 2016.

In accordance with acting rules of new regulations' development, the Draft was provided for internal agreement with the Ministry of Economic Development and Trade of Ukraine, which issued a comment on presumed use of INCI for cosmetic product ingredient labeling as such that does not meet the provisions of the Law of Ukraine "On Consumer Rights Protection" (hereinafter – the Law) in respect of need to provide information to consumer in Ukrainian.

The maximum similarity of the Draft with European cosmetic regulation, aimed to achieve high level of human health protection and to reduce technical barriers to trade, was positively evaluated by the majority of international cosmetics companies operating in Ukraine. At the same time Chamber Member companies approached the Ministry of Health highlighting the need of extended transition period and submitting technical proposals for the Draft’s improvement.

Chamber Member companies are concerned on the proposed requirement of cosmetic ingredients’ labeling in Ukrainian as it may create technical barriers to international trade, does not meet the goal legislation targets and may have negative impact on human health protection.

Since the Law as legal act of higher force against Technical Regulation sets up requirement to have labeling in Ukrainian language we believe the issue may be settled only on the level of amending the Law.

Chamber provided proposals to Draft Law #3724 “On Amendments to Certain Legislative Acts of Ukraine (regarding Technical Regulations and Conformity Assessment)” which was submitted to the Parliament by the Ministry of Economy in December 2015 but it’s still under consideration.

Meanwhile, the Ministry of Health submitted the Draft for internal agreement by the Ministry of Justice in March 2016 and given the contradiction between draft regulation and the existing Law, spotted by the Ministry of Economy, the same proposal to keep ingredients’ labeling in Ukrainian may come from the Ministry of Justice too.

**Assessment of possible impact:**

Chamber Member companies are very concerned about the potential obligatory requirement to make cosmetic product ingredient labelling in Ukrainian. It could create a technical barrier to trade under the World Trade Organization (WTO) rules which goes against the move towards international technical and regulatory convergence pursued by Ukraine that would have overall negative impact on consumers, regulators and industry, both local and international.

**Request:**

By this letter the Chamber would like to ask Cosmetics Europe to support lobby position to use INCI in describing the Chemical Composition, in the Label of Personal Hygiene Products, Cosmetics and Perfumes and provide us with your opinion on the above stated, so that me may share it with responsible Ukrainian authorities.

We thank you in advance for considering our request and stand ready to answer any questions you may have. In case of any questions, please do not hesitate to instruct your staff to contact Ms. Galyna Isakiv, Chamber Policy Officer (Regulatory & External Relations) at: +380 44 490 58 00 or gisakiv@chamber.ua

Please accept once again our deep respect and wishes of success.

**With my sincere best wishes,**

**Andy Hunder President**