

# Cosmetics Europe – Response to European Commission Call for Evidence

## The European Cosmetics Industry: A Pillar of European Excellence

The European cosmetics industry is a cornerstone of European excellence. It is recognised as a world leader, both as a flagship market and a major exporter of cosmetics around the world. It is a driver of innovation and a champion of regional artisanal production throughout the value chain. The industry is entrepreneurial with close to 9,000<sup>1</sup> SMEs in Europe, and with a strong manufacturing base in Europe. Every day, the majority of Europe's 500 million consumers use cosmetics products to enhance their personal hygiene, wellbeing and for preventive health protection. Few industries in the world are as embedded in everyday life as the cosmetics industry, fostering an innovative spirit striving to constantly respond to people's expectations.

Valued at €96 billion<sup>2</sup> at retail sales price in 2023, the European cosmetics and personal care market is, along-side the USA, the largest market for cosmetic products in the world. The sector is a major trading industry with exports of cosmetic products from the EU totalling €33.2 billion<sup>3</sup> (trade value) in 2024. The EU is the biggest exporter of cosmetic products globally, with market access being aided by the fact that the regulatory model of the EU Cosmetic Products Regulation (CPR) has been adopted, either in part or in full, by numerous trading partners around the globe.

About 27,500<sup>4</sup> scientists are employed in the sector, across the fields of chemistry, biology and physics with larger companies typically re-injecting 5% of their annual sales in R&D – a figure conservatively estimated to be worth €2.35 billion<sup>5</sup>.

The industry operates through a sophisticated, European-based value chain that encompasses a diverse range of professionals. Suppliers of the ingredients, R&D teams from the industry and research institutions contribute to the development of innovative sustainable ingredients and formulations, whilst manufacturing, packaging, and distribution processes ensure that products reach the market efficiently. Finally, retailers, beauticians, hairdressers, dermatologists and pharmacists serve as the bridge between the industry and consumers, offering their expertise and services.

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<sup>1</sup> Cosmetics Europe, Market Performance Report 2023

<sup>2</sup> Idem

<sup>3</sup> Eurostat database, March 11<sup>th</sup>, 2025, for HS codes: 3303 3304 3305 330610 330710 330720 330730 330790 340111 340130

<sup>4</sup> Cosmetics Europe, Market Performance Report 2023

<sup>5</sup> Cosmetics Europe, Socio-Economic Contribution of the European Cosmetics Industry 2018

The European cosmetics industry plays a significant role in driving sustainable innovation, economic growth, and competitiveness within Europe. It operates in a highly competitive market, with significant exports and products recognized globally as benchmarks. The current European regulatory frame has fostered single market integration and consumer safety for more than a decade. It is essential that it continues to support the advancement of the European cosmetics sector through clear and implementable regulations, thereby fostering European excellence.

### **A Long-Standing Science-Based Regulatory Frame Fostering Single Market Integration and Consumer Safety**

The European regulatory framework for cosmetics has been the central piece of legislation for the cosmetics sector for almost 50 years. The CPR, as well as its predecessor (Cosmetics Directive), that was built on similar regulatory principles, have always been considered a “gold standard” and inspiration for regulators and jurisdictions globally.

Science forms the foundation of the CPR. The current EU model, which incorporates a rigorous science-based risk assessment approach along with the Scientific Committee on Consumer Safety (SCCS) as a dedicated and sector specific committee for the assessment of the safety of key cosmetics ingredients, as well as a robust in-market control system by member states, is acknowledged for setting the highest global standards in cosmetics safety and market surveillance. The CPR is a dynamic instrument with processes allowing to adapt to the latest available data on ingredients as shown through the numerous amendments of its annexes.

The international ‘role-model’ aspect of the CPR contributes to regulatory alignment, thereby supporting European exports, global free trade, and competition among safe and innovative products.

An EU-wide, vertical regulation specifically addressing cosmetic products provides clear benefits. The CPR has successfully met its primary objective by ensuring a single EU market for cosmetic products and the safety of European consumers. The regulation serves as a comprehensive reference for companies of all sizes and origins when placing products in the unified EU market, rather than navigating the complexities of fragmented national markets.

The firm principles that are at the core of the CPR collectively contribute to a robust regulatory framework that protects consumers and ensures the high safety, quality and efficacy of cosmetic products in the EU market. These principles include a comprehensive risk-based framework, legally binding principles for claims, comprehensible and accurate labelling of cosmetic products, adherence to recognised Good Manufacturing Practices standards, and an efficient in-market control system which relies on a single EU-based Responsible Person, a unified Product Information File, and the pan-EU CPNP platform.

## Ensuring Competitiveness and Innovation in a Global Market: Evaluating the Fitness of the Cosmetic Products Regulation

While the CPR has evidently achieved its initially set objectives, the current evaluation presents an opportunity to critically assess and potentially enhance the regulatory framework. This evaluation of the CPR cannot be done in isolation. The overall regulatory landscape for cosmetics has significantly evolved and broadened in the last years, encompassing societal considerations, and increasingly covering considerations such as environmental safety, chemicals assessments beyond the finished cosmetics product, eco-design, circularity and new ways of communicating information towards consumers. The evaluation process must include a forward-looking approach that considers technological progress, digital developments, scientific evolution, fast moving consumer expectations and the broader policy context to ensure maximised space to innovate and manufacture, whilst minimising regulatory complexity for all companies, including the smallest ones. Simply put, whilst preserving the well-functioning principles of the CPR, the evaluation must assess where specific requirements need to be simplified and clarified, to be able to effectively apply them in today's context.

### ***A future holistic science-based approach for cosmetics ingredients management***

The CPR has traditionally been a model of risk-based non-animal safety assessment, incorporating consumer exposure and best science. The model is based on the expertise of the SCCS which is internationally recognised as an independent safety body and plays a key role in advising the European Commission in assuring cosmetic products in Europe meet the highest standards regarding consumer safety. The SCCS Notes of Guidance provide an internationally recognised means to address new developments or concerns either for consumers or professional users as needed.

Further, the CPR's commitment to animal welfare through the testing ban, presents a unique opportunity to drive innovation in alternative testing methodologies for cosmetic ingredients. While the ban itself is firmly established, accelerated recognition of these alternative methods by European regulatory authorities would significantly enhance the development and commercialization of new, sustainable cosmetic ingredients. This proactive approach by regulatory bodies is key to fostering a thriving environment for innovation and growth within the cosmetics industry.

However, the CPR's integration with other chemical regulations, and the recent shift towards a hazard-based approach to chemical substances (often based on *in vivo*/animal tests data, despite the ban on animal testing for cosmetics) within the broader policy environment, threaten the foundational principles of the CPR. It is imperative that safety assessments of cosmetic ingredients, where exposure is well characterized and controlled comparing to other industrial sectors, remain the preferred methodology to ensure the safety of cosmetic products. Due to recent developments, the EU's position as a benchmark for international safety assessment-based

cosmetic regulations seems to be at risk. This poses significant challenges to further international expansion and regulatory alignment, which could adversely affect the sector's competitiveness.

A thorough analysis of the overall chemicals processes and management will be essential during the evaluation. The risk management process relating to classified substances need to be clear and scientifically accurate to provide comfort and legal certainty to companies on the ingredients they use, as well as to provide room to adapt, comply and further innovate. The absence of impact assessment in connection with ingredients evaluations and the current uncertainties in the legal text and/or complementary guidance regarding processes, scope and transition timelines for substance bans and restrictions, result in significant capital expenditures, suboptimal investments, environmental concerns and hastened and repeated reformulation processes for cosmetic companies, reducing resources for innovation.

### ***Adapting consumer information to the 21st century through the promotion of digital labelling***

The current CPR requires comprehensive consumer information to physically appear on packaging, while consumer habits and preferences, as well as digital technologies, have significantly evolved over the last 10 years. The digital transition has become a global reality, integrated into daily life. It is necessary to deeply reflect on the future of consumer information under the CPR. The evaluation must consider the ability of the CPR to respond to changes in consumer habits and practices due to evolving communication technologies, as well as to anticipate future consumer information needs. Additionally, the evaluation should account for the negative impact on environment and the legibility of on-pack labels due to additional information requirements (under CPR, PPWR, and other regulations) and the packaging reduction measures under the PPWR. It will be important to streamline on-pack labels by dematerializing certain information elements, accompanied by adequate transition provisions. Overall, the evaluation must consider the workability and regulatory consistency with various legislation applicable to cosmetics that address digital and on-pack consumer and value chain information, as well as packaging reduction. This reflection should also consider the international compatibility of consumer and digital information requirements.

### **Conclusion**

In conclusion, building on the EU Cosmetics Directive (in place between 1976 and 2009), the Cosmetic Products Regulation has been standing since 2009 as a pivotal framework that not only ensures a high level of safety, quality and efficacy, but also significantly drives EU-wide growth and the future competitiveness and innovation within the cosmetics sector. It has positively served the needs of consumers, businesses and other stakeholders. Whilst its key principles have withstood the test of time since 1976, their practical application needs to be continuously adapted and clarified to scientific evolutions, technological advancements and evolving consumer expectations. The CPR must continue to foster a robust science-based regulatory environment that supports European excellence and serves as a regulatory alignment model for our trading partners. Moving forward, clear and implementable regulations in particular with respect to ingredients

management, must provide the necessary legal certainty and flexibility for companies to innovate and operate efficiently. It is imperative that the CPR remains a dynamic and integral tool in shaping a sustainable and competitive European market, thereby maintaining Europe's leadership in the global cosmetics industry.

### **About Cosmetics Europe**

*Cosmetics Europe (CE) represents the cosmetics and personal care industry in Europe. Ranging from dermo cosmetics, antiperspirants, fragrances, make-up and shampoos, to soaps, sunscreens and toothpastes, cosmetics and personal care products play an essential role for quality of life, health, hygiene and mental well-being, self-esteem and social interaction in all stages of life. Through its network of active corporate and association members, Cosmetics Europe represent a significant part of the European cosmetics industry in value, including more than 9,000 SMEs.*