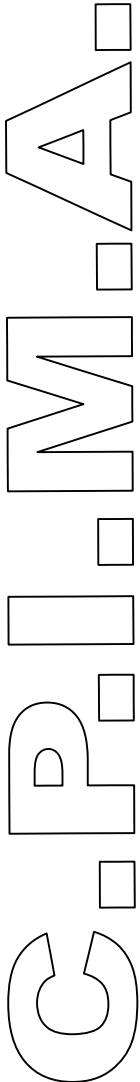


CEPA Status of Pigment Green 7



In recent weeks several pigment suppliers suspended the sale of Pigment Green 7, Green 36 and Yellow 138 in Canada because they contained trace quantities of hexachlorobenzene (HCB) in excess of the 20 ppb specified in *the Prohibition of Certain Toxic Substances Regulation, 2003*. Since the regulation prohibits the import, manufacture, use, and sale of materials containing more than 20 ppb HCB, ink manufacturers were obliged to stop manufacturing products using these pigments when advised of the incidental levels HCB in pigment. Unfortunately, this caused considerable turmoil and hardship throughout the ink and printing industries.

In response to concerns from several industries, Environment Canada reviewed the regulations and concluded that they did not actually address HCB contamination in pigments. It is their intention to manage the issue in accordance with the proposed 2005 regulations that will be issued in the next few weeks. *The new regulation will not restrict the use and sale of products containing incidental levels of HCB.* It will require the importer or manufacturer of any mixture or product containing HCB to report annually if established thresholds are exceeded.

This position was confirmed in a meeting with stakeholders on February 4th, 2005. It was clearly indicated by Environment Canada representatives that the sale and use of the pigments of concern and products containing them could continue. It was also noted that the continued use of these pigments is not anticipated to result in any increased risk to the environment in the short term. Pigments containing incidental HCB have been in use for many years and levels of HCB in the environment already reflect this usage. Current levels of HCB in the environment are stable or declining. Environment Canada will continue to work with industry to identify actions that will reduce or eliminate HCB contamination.

Based on the clarification of Environment Canada's position on the existing regulation, CPIMA members have resumed normal operating procedures with respect to Pigment Green 7 and it is once again available to printers.

February 8, 2005

CPIMA
Member
Companies

Colmar Corporation
Flint Ink Corporation of Canada
Hostmann-Steinberg Limited

Rycoline Inc.
Sun Chemical Limited