



Position paper of the European Candle Association ASBL

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- 1. The Association*
- 2. The goals and their realisation*
- 3. Outlook*

1. The Association

For some years now the European candle industry has faced a number of major challenges.

For example, the price of paraffin wax, the most important raw material in candle production, has risen sharply in the recent past. As numerous factors influence the price of paraffin wax, the now lower cost of oil has unfortunately not been reflected to the same extent in the price of the candle raw material. On the contrary, owing to improved and more-efficient production processes at refineries which have become profitable because of rising fuel prices, less and less paraffin wax is coming onto the world market. Paraffin wax is therefore expected to become shorter in supply over the long term, which will cause its price to increase considerably.

While this situation is putting pressure on the earnings position of companies, the candle manufacturers are at the same time having to fulfil huge tasks in order to remain competitive.

Research into alternative raw materials must be driven forward intensively so that high-quality candles can continue to be supplied at affordable prices over the long term.

The realignment of European chemical law (key term "REACH") represents a special challenge here, including for the raw materials already being used.

Such challenges cannot be overcome by a single company alone, in particular a small or medium-sized candle manufacturer. For this reason, at the end of 2008 fourteen leading European candle manufacturers decided to pool their synergies on these matters and to establish a new association for this purpose, the European Candle Association ASBL, or ECA for short. Together the members of the ECA represent more than 60 % of the European candle production.

The Association itself does not pursue any commercial objectives and its members are obliged to strictly comply with European competition law.

2. The goals and their realisation

The European candle industry, which employs about 20,000 people, is the most modern and efficient in the world. In order to be able to remain internationally competitive in future and to further strengthen the role of our member enterprises, the Association pursues in particular the following goals.

Maintenance and further development of safety, health and environmental protection

European candles meet the highest requirements in respect of consumer safety and health protection both with regard to the materials from which they are made and their use. In their production the statutory requirements for environmental protection are complied with and surpassed.

To maintain these high standards and improve them even further, targeted research work and studies should be conducted in this area, including in cooperation with other associations and institutes.

Maintaining and increasing quality

Maintaining and further increasing the very high quality of European candles is a fundamental goal. Nowhere else in the world do consumers expect such high-quality candles, both as far as the processed raw materials and design are concerned as well as the burning characteristics. The Association would like to fulfil and exceed these expectations in close cooperation with the customers of our member firms. The ECA sees the fulfilment of existing quality standards, for example the RAL Quality Mark of the European Quality Association for Candles, as one means of achieving this, along with the creation or further development of standards, possibly in cooperation with other associations.

Information about legal developments and proposals

In 2007 the regulation on the registration, evaluation, authorisation and restriction of chemicals ("REACH") came into force. This ambitious project undertaken by the European Union is an example of how huge expertise and financial resources are having to be deployed by companies in order to meet all the legal requirements so that they can continue to operate in the future. Small and medium-sized firms in particular, however, are simply unable to meet these requirements.

For this reason the Association should inform its members in good time about legal developments in its sphere and help them to implement such. Wherever possible, involvement should be sought in the development of legal regulations and standards, nationally and internationally.

Identification of new raw materials and development of new technologies

The currently most important raw material for candle manufacture, paraffin wax, is a by-product of oil refining. The depleting mineral oil reserves and other factors will lead to drastic price increases and a shortage of paraffin wax in the short to medium term. The search for and research into alternative raw materials and the development of new production technologies should therefore be driven forward decisively, without, however, making any concessions in terms of quality and health protection.

3. Outlook

It will only be possible to achieve all these goals if the Association actively seeks and further improves the worldwide communication with all market participants on all aspects of candles as a product. The ECA would like to include all interested national and international parties, from raw material suppliers to retailers, from other associations to official bodies, from end consumers to consumer organisations.

We are confident that we will succeed and that manufacturers, retailers and consumers will continue in future to experience lots of pleasure from one of the oldest and most atmospheric consumer goods in the world – the candle.

Stuttgart, 17 June 2009

The Executive Board