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EU's Sustainable Chemicals Strategy Lacks Industry 'Game Plan' To Support Innovation, Competitiveness

by Ryan Nelson

BASF CEO Martin Brudermüller, newly announced as president of Cefic, strikes an optimistic note in a 15 October open letter regarding European Green Deal prospects. However, industry advocates including Cefic have major concerns about the Commission's Chemicals Strategy for Sustainability released the day before.

The European Commission's Chemicals Strategy for Sustainability Towards a Toxic-Free Environment, released on 14 October, met with immediate criticism from industry stakeholders.

In a same-day statement, Marco Mensink, director-general of the European Chemical Industry Council (Cefic), characterized the strategy as a missed opportunity for driving EU chemicals industry growth while also advancing the bloc's public health and environmental goals.

"What we have today reads more like a long list of regulatory measures lacking sufficient clarity on how they will be joined up, how they relate to real-world geopolitical context like Brexit or how they will all add up to achieve the Green Deal objectives. This is especially concerning at a time when the rest of the world has not yet followed REACH and is unlikely to," Mensink adds.

Cosmetics Europe also provided its first take on the strategy, which the European Commission laid out in a *communication* to European Parliament, Council and committees.

The trade group shares the Commission's overarching goal for a sufficiently protective chemicals policy framework, noting, "Safety is our number one concern."

It continues, "At the same time, however, we highlight the need to ensure industry's

competitiveness and innovation capacity to deliver to the needs and expectations of consumers."

In the strategy, the Commission touts the sophistication and robustness of existing European chemicals regulations, but says more needs to be done to address hazardous chemicals while promoting development of sustainable chemicals to help transition the EU to a climate-neutral and circular economy by 2050, as targeted by the Green Deal set forth in December 2019. (Also see "*Endocrine Disruptors, The European Green Deal And The Politicization Of EU Chemical Programs*" - HBW Insight, 24 Jan, 2020.)

Specifically, the Commission aims to "reinforce" the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) and Classification, Labeling and Packaging (CLP) regulations "to ensure that there is sufficient information on chemicals manufactured or imported into the EU, that substances of concern are rapidly identified and, where needed, phased-out, in particular from consumer products."

According to Cefic, the Commission's talk of targeted revisions to current chemicals regulations is reassuring compared with proposals floated to fully reopen REACH, for example. Overall, the industry organization views the strategy as more balanced than versions discussed previously.

"A real chemical sector strategy for the Green Deal should strike a better balance between simply banning chemicals based on their hazardous properties and enabling the technology solutions that will make the Green Deal reality," Mensink says.

However, even with its promises of EU funding and investment projects to drive sustainable chemicals research and innovation, the strategy comes up short with regard to industry support, Cefic suggests.

"Looking forwards, what Europe still needs is a Green Deal 'game plan' for its chemical industry, from large companies to SMEs and all its downstream customers, which can deliver the investments needed at scale to meet the chemical strategy goals," Mensink says.

He continues, "This is why we are calling for a sectoral Green Deal for chemicals to help fulfil the enabling role of Europe's chemical industry. Companies need the right policy signals and signposts to invest at unprecedented new scale in Europe, and above all industry needs regulatory predictability."

Cefic and Cosmetics Europe are committed to engaging further with the Commission, which plans to establish a roundtable with industry representatives to discuss paths forward.

In a 15 October open letter, Martin Brudermüller, CEO of the world's largest chemicals producer BASF SE – who was announced as Cefic's new president the same day – noted the organization's support for the Green Deal and optimism about opportunities it could represent for industry, in addition to decidedly "huge" challenges.

"I am convinced we can achieve the transition together, while becoming a European innovation hub and a focus area for investments into breakthrough technologies. We are prepared to strike a 'Future Chemicals Deal,' and I will make it my personal objective to discuss the right framework conditions with European leaders in order to find joint solutions to meet this immense challenge," Brudermüller says.

What To Watch Out For

The European Chemicals Strategy for Sustainability stresses the importance of simplifying the chemicals regulatory framework and consolidating chemicals rules for greater efficiency.

The Commission describes a "one substance, one assessment" model that would coordinate chemical safety evaluations across sectors subject to different pieces of EU legislation. It also would move the EU away from assessing and regulating chemicals substance-by-substance to addressing them by groups.

Industry stakeholders have voiced concerns about the concept, which in their view could lead to overly broad chemical assessments that fail to appreciate nuanced exposure factors and other considerations that vary from one sector, and one structurally or functionally related substance, to the next.

Cosmetics Europe's director-general John Chave suggested in January that it could "completely dynamite our risk-hazard distinction in the Cosmetic Products Regulation."

The Commission also intends to expand use of a generic approach to risk management – "an automatic trigger of predetermined risk management measures … based on the hazardous properties of the chemical and generic considerations of their exposure" – in order to protect consumers, vulnerable populations and workers from the most harmful chemicals.

In a 24 September <u>viewpoint piece</u> for Genetic Literacy Project, part of the nonprofit Science Literacy Project, EU risk and science communications specialist David Zaruk says the European Chemicals Strategy contains "a radical shade of precaution."

The strategy makes clear that the Commission wants all chemicals that cause cancers or gene

mutations, affect the reproductive or endocrine system, or are persistent and bioaccumulative, out of consumer products. The operative question may be how such conclusions would be reached, and based on what evidence.

"Secondly, the Commission will immediately launch a comprehensive impact assessment to define the modalities and timing for extending the same generic approach, with regard to consumer products, to further chemicals, including those affecting the immune, neurological or respiratory systems and chemicals toxic to a specific organ," according to the strategy.

Mensink maintains that "a real chemical sector strategy for the Green Deal should strike a better balance between simply banning chemicals based on their hazardous properties and enabling the technology solutions that will make the Green Deal reality."

Focus On Endocrine Disruptors

According to the Commission, endocrine disrupting chemicals require specific attention.

The Commission plans on proposing the establishment of "legally binding hazard identification of endocrine disruptors, based on the definition of the [World Health Organization], building on criteria already developed for pesticides and biocides, and apply it across all legislation."

Further, it seeks to ensure that endocrine disruptors are banned in consumer products "as soon as they are identified, allowing their use only where it is proven to be essential for society."

The Commission has prioritized close to 30 cosmetic ingredients deemed potential endocrine disruptors, including preservatives and UV filters authorized for use under the Cosmetic Products Regulation, for evaluation by the Scientific Committee on Consumer Safety. (Also see "*EU Scientific Committee Reviewing Three UV Filters Against Endocrine-Disrupting Concerns*" - HBW Insight, 24 Feb, 2020.)

For now, the European Chemicals Strategy is just that, a strategy. The Commission says any legal proposals, including REACH revision, will be based on public consultations and subject to comprehensive impact assessments, including analyses of likely effects on small businesses and innovation.