

Main findings of the “Further REACH Impact Assessment”

Proposed solutions from 12 industry sectors in Europe to improve the workability of REACH

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The cement, ceramics, glass, gypsum, iron & steel, lime, minerals, non-ferrous metals, ores, paper, precast concrete and ready-mixed concrete industries support the basic aims of REACH but share a number of concerns about the proposal by the European Commission for a New Chemicals Policy (REACH). These 12 sectors represent a total turnover of Euro 360 billion, manufacture 1,500 million tonnes of products per annum and provide employment to 2 million people in the EU.

These sectors will, of course, be impacted by the proposed Regulation as downstream users and importers of chemicals. However, we have serious **concerns specific for our industry sectors** related to the **nature of the raw materials we use (input streams such as e.g. minerals, ores, concentrates and other naturally occurring substances and recycled or recovered wastes) and the products we manufacture**. These impacts were studied for the first time in the “Further REACH Impact Assessment” (joint Commission, industry and other stakeholder exercise), the results of which were presented on 27 April 2005 (see annex).

Based on the findings of the impact study, the REACH Alliance suggests a **limited number of key amendments** to improve the workability of REACH. These ideas are also supported by UNICE (Union of Industrial and Employers’ Confederations of Europe).

1. Our industries manufacture products in quantities which exceed by far the total worldwide volume (400 million tonnes per year) of chemicals referred to in the White Paper on the Chemicals Policy Review of February 2001. As high volume manufacturers of mainly low risk products derived from minerals, ores or substances occurring in nature, we question the relevance of prioritisation (including timing for implementation) by volume and **propose a risk based prioritisation system instead**.
2. The REACH proposal has been developed mainly with the objective of safe use of man-made products from the chemical industry. However, as currently presented, it would also cover other products such as those that our companies manufacture, as well as our raw materials. We feel that including our raw materials and products in REACH under the same regime as chemicals, clearly cannot be the intention of the legislator. Safety data sheets (SDS), produced according to the existing European legislation, describe very clearly how to use our products without jeopardising workers’ health and safety and the quality of the environment. We therefore welcome their prominent role in the REACH proposal.

We propose a **more focussed scope of REACH** to bring it back to what was originally intended i.e. to protect man and environment from the negative impacts of the use of chemicals:

- **Exempt wastes and secondary raw materials/alternative fuels from the scope of REACH.** Recovered waste and recycled materials are used as feedstock for our industrial processes according to the provisions of the IPPC Directive (96/61/EC on Integrated Pollution Prevention and Control) and/or Community waste legislation.
 - **Exempt minerals, ores, substances occurring in nature, and materials derived from them by mineralogical processes or physical transformation processes** (the basic raw materials for our sectors) from registration, as is the case for natural gas, crude oil and coal (the basic raw materials for the organic chemicals sectors). Potential risks arising from the use of basic raw materials in our sectors are already addressed under the IPPC Directive and/or under workplace legislation; their inclusion puts our sectors at an unfair and significant competitive disadvantage.
 - **Remove the overlaps between REACH and existing legislation, in so far as the environmental and health aspects are already adequately covered.** Examples include the Construction Products Directive (89/106/EEC as amended by 93/68/EEC) and Community legislation on waste.
3. The requirements on the unintentional release of substances from articles are already adequately covered in the registration and authorisation requirements and protecting final consumers is more efficiently done via vertical product legislation. It is an oddity that REACH refers to concentration limits for substances in preparations and no such thresholds exist for substances in articles. We therefore propose that the **unworkable requirements regarding unintentional release of substances from articles are removed and concentration limits or substance release criteria, as appropriate, are introduced for the requirements on substances in articles**.

Annex

Main conclusions from the Further REACH Impact Assessment for the Inorganics¹ Sectors

1. The main **conclusions of the 4 case studies** covering specific concerns related to the inorganics sectors, **proved relevant for the sector** within the given case specific boundaries. Extrapolation beyond these boundaries would lead to wrong conclusions.
2. Safeguarding **competitiveness** – direct costs
 - Primary raw materials:
 - No withdrawal of primary raw materials is expected, but conclusion reflects the boundaries of the case study
 - Significant impact expected for EU mining industry if costs cannot be shared with smelters (requiring vertical consortia formation)
 - Smaller raw materials streams (< 3,000 t) may disappear and smaller producers may be particularly disadvantaged
 - Waste/secondary raw materials/fuels:
 - Withdrawal might occur for low value streams or smaller tonnages
 - “The broken information chain” causes more expensive analysis costs for secondary materials, which may lead to the use of more primary raw materials and fuels
 - Competitiveness affected due to the extra costs associated with the registration since producers cannot pass on costs to customers
 - No specific relocation identified, but increased pressure due to REACH, in addition to other pieces of legislation, will accelerate the existing trend
3. Need for clarity regarding **application and scope of REACH** to provide certainty to business:
 - Strong uncertainty about how to apply the REACH system to complex materials such as used in the inorganics sectors.
 - Will *all* secondary raw materials/fuels be exempted from the scope?
 - Indirect impact and the impact of authorisation have not been studied and may contribute to a decreased availability of raw materials and affect the competitiveness of the sector
4. **No additional benefit for human health and the environment** from applying REACH to inorganics primary and secondary raw materials could be identified.
5. Scope and **limitations of the case studies**
 - Case study limited to direct impacts for specific critical raw materials; total impact of REACH was not assessed
 - Costs of registration underestimated
 - Impacts of authorisation not studied

¹ REACH Alliance comprising 11 raw material providers and inorganic producers and the European paper industry as a main producer/user of raw materials

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