

TENTH ANNUAL EHS SEMINAR

18-19 SEPTEMBER 2007

"Innovation, Climate Change and EHS Challenges: Opportunities for Metals"

18 September - Day I

The underlying question, noted **Guy Thiran, Secretary-General of Eurometaux** and Chair of the first day, is **"How to position the non-ferrous metals industry favourably for the future"**. The climate change challenge, linked to the necessary innovation response, is a key driver of EU policy today with policies addressing sustainable consumption, sustainable production, eco-efficiency, energy efficiency, resource efficiency and value chain management. **The metals industry** has its strengths such as recyclability and durability – it **is an industry of the future** relying on its strong innovation potential, its high socio-economic added value, the high performance and expertise of its actors and its strong focus on a value chain approach.

To illustrate the challenges raised by climate change and EHS issues, the **first day's programme focused on how to assess resource efficiency**.

The various speakers addressed the issue from different perspectives.

Mr. Van Ermen, the Resource Efficiency Alliance, praised a system change along the value chain aimed at a **resource efficient economy**. The Resource Efficiency Alliance wishes to act as a catalyst for thinking and proposes to organise a think-tank meeting with Eurometaux aimed at developing a kind of roadmap as to how industry can meet societal needs. The discussion would be based on two aspects: **how are metals part of the solution? And which industrial policies could help to accelerate the shift towards a resource efficient economy?**

Mrs. Van der Voet presented the **"Policy Review on Decoupling"** carried out for DG Environment by the Leiden University. The starting point is domestic material consumption, the aim being, among other things, to develop indicators for

materials intensity based on environmental impacts. The floor noted that the approach was biased through the comparison of impacts per kilogramme of product and could lead to deselection of products without proper consideration of the life cycle and purpose of the product.

Mr. Mersiowsky of Five Winds International presented the organisation's approach to **materials stewardship and metals eco-efficiency**. The concept of eco-efficiency (benefit vs. burden) presents the advantage of considering the functionality and durability of products, as well as the raw materials, costs and environmental impacts. The materials stewardship approach envisages four steps to minimise burdens, including a system perspective, strengthening of relationship, optimising production and developing robust information. In response to a question, I. Mersiowsky said that in his view the stigmatisation of metals could hamper product innovation. He favoured a material flow approach based on eco-efficiency principles that enables innovation and sound choices.

Messrs. Cutler (ENiA), Martchek (EAA) and Van Sande (UMICORE) presented concrete examples of how the non-ferrous metals industry already addresses the challenge of eco-efficiency and resource efficiency. It was clearly demonstrated that resource efficiency is already a business reality within the non-ferrous metals industry.

Mr. Vallès, DG Research, provided a detailed overview of the **FP7 (7th framework programme on research and development)** and the possibilities for the non-ferrous metals industry to use the FP7. He highlighted the simplified system developed for the assessment of proposals whereby proposals are mainly assessed in the first stage (mini-proposal); projects reaching the second phase have about a 50% chance of being supported.

Mr. Niemi, Boliden, Chairman of Euromines, concluded the first day of the Seminar by highlighting that it is possible to have competitive products in Europe, but that this is a challenge due to, for example, the cost of energy and access to raw materials. **The response to the energy challenge is in the product – we need better performing products and a more performing recycling industry**, he added. But we also need sustainable energy prices – e.g. through nuclear power. Sound policy needs to be based on robust and reliable data. Industry needs to work on this, as well as on attracting young and clever brains to the non-ferrous metals industry!

19 September – Day 2 – Review of EU Priority Policy Developments

Mrs. Tissot-Colle, Eramet, Chair of the Eurometaux EHS Management Committee, and Chair of the second day of the Seminar, and Guy Thiran opened the session whose aim was to give an overview of current issues and enable an exchange of views with decision-makers.

Session 1 - REACH

Mr. Leenaers, Eurometaux, provided a brief overview on the current status of the REACH implementation. The REACH directive, which entered into force on 1 June 2007, has some direct implications in terms of the communication of information up and down the supply chain. The main information requirements will, however, only become effective as of 1 June 2008, when the Chemical Agency based in Helsinki will be operational and the registration requirements will start (pre-registration). The restriction provisions will be applicable as of 1 June 2009, while the first authorisations will be required by January 2011. The key dates and deadlines for the implementation and revision of the Regulation were presented. The non-ferrous metals industry has actively started to prepare for the different stages, e.g. through the formation of consortia for different metals and metal-compounds (via the commodities). Eurometaux has developed multi-metallic Guidance/Fact Sheets, and continues to carry out appropriate advocacy and interpretation work to assist its members.

Mr. Ghyoot, UMICORE, presented the status of the REACH Implementation Projects which aim to ensure the efficient implementation of REACH through the development of guidance and IT-Tools for the Agency, industry and authorities. Mr. Ghyoot focused on the RIPs for industry use (RIP 3. series) and authority use (RIP 4. series). Several RIPs are still ongoing and will require input before the end of the year. In the context of RIP 3.4, the advantages of pre-registering so as to avoid losing access to the market were highlighted. Mr. Ghyoot also stressed the very valuable documents prepared by Eurometaux and its network, HERAG and MERAG (Health Risk Assessment Guidance for Metals and Metals Environment Risk Assessment Guide) that should constitute the background for the metals CSRs. A timeline for the RIPs discussed was provided. The current development, however,

leaves some critical questions open with regard to the applicability, status, volume and required expertise of the guidance.

Mr. Thiran, Secretary-General of Eurometaux, briefly presented the activities carried out by the commodities in the framework of consortia for specific metals. He presented some highlights of the activities carried out and the contact persons for Nickel, Cobalt, Manganese, Magnesite, Calcium Carbide, Aluminium, Copper, Zinc, Cadmium, Lead, Tin and compounds, Antimony Oxides, Vanadium and compounds, Precious Metals compounds, Magnesium, Molybdenum and Tungsten and compounds.

Mrs. Verougstraete, Eurometaux, highlighted the importance of the work carried out in parallel to REACH on the **Globally Harmonised System (GHS)** which aims to define and classify chemicals according to their hazards and to communicate this information via labels and safety data sheets. The scheme agreed at the UN Conference on Sustainable Development in 2002 is not binding, but many countries have committed to implement it. The global implementation is expected in 2008. However, the flexibility element embedded in the system also means that there will not be a total harmonisation of information formats. As REACH does not include any criteria for classification and labelling, the Commission hopes that the GHS will enter into force as close as possible to REACH. Industry welcomes this approach, but remains concerned about the lack of full harmonisation and the uncertainty as to whether the information provided will consistently be used to make classification decisions. **The next step for Eurometaux, Eurofer and ICMM is to monitor the implementation of GHS globally and to develop guidance for the implementation of GHS in the mining/metals industry.**

Mrs. Verougstraete then reported on IUCLID 5, a software application used to capture, manage and exchange data on properties and health and environmental effects of chemicals to prepare registration dossiers under REACH and other purposes (OECD). She pointed to the **Eurometaux workshop on the subject that would take place on 31st October 2007 in Brussels with the aim of presenting the IUCLID guidance manual for metals.**

Mr. Mistry, Norddeutsche Affinerie, presented the REACH Metals Gateway, an essential access point for the EU and international metals-related issues. Among other things, the Gateway provides easy access to official documents (e.g. RIPs) and clarifications on relevant questions, but is in no way intended to overlap with the work carried out by the commodities, nor to provide generic information. The Gateway has its strengths – glossary, storage of documents – and its weaknesses –

non-availability of draft documents. The substance inventories are of the highest relevance for interested stakeholders, but they need to be kept up-to-date. There are still open issues, such as that of orphan metals or data gaps, for which Eurometaux and ICMC can play a critical role in facilitating the exchange of information. The REACH Metals Gateway is a useful tool, but the challenge will be to keep it updated as a centre of expertise. The audience introduced the idea of translating Guidance documents into Questions and Answers and to ensure the swift uploading of (draft) documents.

Mr. Debouserie, PWC, presented the tool developed by PWC in cooperation with EURAS (well-known consultant with extended expertise in metals risk assessment) highlighting the non-technical and practical aspects to be considered for the formation of a REACH consortium, such as taxation, legal aspects, etc. The services offered by PWC are intended to assist consortia in management issues, especially orphan/minor metals producers wishing to cooperate on meeting the REACH requirements. Technical/scientific support can be provided by EURAS. In reply to a question, Mr. Debouserie said that the more numerous the actors, the more sense it would make to create a consortium. Similarly to the REACH Centrum set up by the chemicals industry, this can be a useful option for dealing with substances not covered by the consortia structures established by existing commodity associations in the metals industry.

Session 2 – WASTE

The Waste session started with an overview of key waste policy developments provided by Mr. Van den Bossche, AGORIA Metals & Materials. Mr. Van den Bossche highlighted the importance of access to raw materials for the non-ferrous metals industry – primary resources, but also waste for recycling. He welcomed the more positive image benefiting the recycling industry. He then touched upon the Waste Framework Directive and the critical issue of the by-products and the link to REACH, as by-products will fall under REACH. Other critical issues are the definition of waste and the criteria. Will the change in definition adequately increase the availability of “waste for recycling” in Europe? He finally addressed the issue of the waste shipment regulation and the associated administrative burdens (it takes 80 days to complete the paper work). **The dilemma is to have an adequate level of control of the waste chain, whilst not hampering recycling.**

Mr. Van der Herten, DG Environment, presented the future developments of EOL Policy (end-of-life). He outlined the status of the review of the WEEE and

RoHS directives aimed at simplification, development and improvement, as well as increased efficiency. Mr. Van der Herten clarified that the issue of new targets was closely linked to the discussion on scope and the decision would probably differ from one sector to another. He confirmed that the revision of the WEEE directive had so far been based on the old waste definition, but that this could change depending on the development/finalisation of the Waste Framework Directive. In response to the comment that **51% of the waste streams were exported illegally due to the burden of legislation**, the audience noted that care needed to be taken not to be too protective and to promote access to raw materials. The non-ferrous metals industry was to provide its comments in an upcoming stakeholder consultation that can be expected by the end of 2007.

Session 3 – IPPC and BREFs

The IPPC Session was opened by Mr. Paquot, DG Environment, who presented an overview of the **status of the revision of the IPPC Directive**. The aim of this review is to consider the experience gained between 1996 and 2007 (final date for implementation), and also to include elements from the Lisbon Agenda, the Air and other Thematic Strategies and the Better Regulation approach. The insufficiently satisfactory emission reductions reached by industry constitute another driver for the review. Some examples from case studies have shown that, despite IPPC implementation, emission reductions are poor (at least for the cases highlighted). Mr. Paquot said that the Commission would encourage Member States to reduce administrative burdens at national level, e.g. through the setting-up of exchange of information networks. The Commission also seems to be considering giving Member States the option to **set up national or regional SO₂/NO_x trading schemes**, if they so wish. Mr. Paquot indicated, however, that internal discussions on this subject within the Commission had not yet been concluded, adding that the idea of a SO₂/NO_x trading scheme would require a strong regulatory framework and that detailed rules (allocations, coverage of sectors etc.) should be established at European level.

Mr. Farrell, IPPC Bureau, presented the starting review of the BREF Notes for the metals industry. He highlighted the good cooperation that there had been with the industry for the first BREF Notes and the steps to be taken for the review. Mr. Farrell indicated that he would like to be provided with site-specific data, particularly with regard to dioxin, diffuse emissions and emissions to water. He also briefly presented the results of the study on the impact of BAT on competitiveness carried out some years ago, which shows a **clear correlation between IPPC and competitiveness**.

Mrs. Jacobs, VITO, presented the interesting case of the **implementation of IPPC at national level through the example of the Flemish region in Belgium**. She also indicated how Belgium was preparing for **the revision of the BREF notes**, including its wishes in the process, and how it saw cooperation with industry.

Mr. Meyer-Wulf, Norddeutsche Affinerie, outlined the industry preparations and structure set in place for the revision of the non-ferrous metals BREF from the perspective of a sectoral organisation, i.e. the **European Copper Institute**. ECI has set up a shadow group which has updated a certain amount of information about the industry, and which provides a forum for the copper industry to analyse and exchange on wishes put forward for the revision. The main elements of the Industry wish list were presented, as well as the main comments from Member States with relevance for the copper industry. He also indicated the main updates and changes that need to be addressed in the copper part of the Non-Ferrous Metals BREF Note.

Conclusions

Mrs. Tissot-Collé concluded that **REACH is a major challenge and one that is very much of today**. **Uncertainties remain in respect of various issues**, such as alloys, by-products, intermediates, etc. Eurometaux has a critical role to play in providing the necessary support to share views and burdens and finding appropriate solutions. One key lesson is that we need to share information and burdens. On the **GHS issue**, Mrs. Tissot-Colle stressed that it is **crucial to ensure that the same data are provided everywhere** and that companies should play their role in ensuring consistency. Mrs. Tissot-Colle said that the EHS committee would discuss the **desirability of opening up some of the information available on the REACH Gateway** and stressed the challenge for Eurometaux to keep the Gateway up-to-date. She also stressed the importance of **IUCLID 5** and urged companies to send their IT experts to the EM workshop at the end of October. Finally, she welcomed the non-technical approach presented by PWC, as REACH is also about human resources, legal aspects, taxation, etc.

With regard to **Waste Issues and IPPC**, Mrs. Tissot-Colle said that the striving towards a **"Recycling society" presents an opportunity**, which does, however, call for further work on industry's part. **She welcomed the open exchange of views with the Commission with regard to the review of the IPPC Directive**

and of the NFM BREFs. She concluded by saying that **IPPC provides a chance to improve the competitiveness** of our industry (innovation).