

Ending Irresponsible Care- Forward to a new EU Chemicals Policy

Speech by John Hontelez - Commission Stakeholder Conference on the "Impact of the new Chemicals Policy", 21st May 2002.

Introduction

- The EEB welcomes this conference and the Commission's open and transparent approach in developing a new EU chemicals policy.
- In particular we are grateful for the opportunity to give our first response to the conclusions of the Business Impact Assessment in front of us today.
- Due to the short time available to assess the consultants work and the missing background information, I cannot focus on the details of the study, but will make some general comments that in our view need to be taken into account in the further discussion.

- **First of all, we support the idea to make cost assessments in order to find the most cost-effective way to reach the agreed objectives.**

Environmentalists have no interest in harming industry or reducing its competitiveness. And they recognise that the chemical industry is an essential part of our modern society, and an important creator of employment and wealth.

- However, the objectives of the future Chemicals Policy that we are now discussing should not be compromised. We are talking here about saving peoples' lives, protecting their health, preventing negative impacts on future generations and preventing damage to the environment and biodiversity, a still very much undervalued resource for quality of life and future prosperity. We think the White Paper was a good starting point, and I want to remind you of the Copenhagen charter, which was initiated by the EEB and now is supported by more than 100 organisations in Europe and the USA. We see the central objectives of a future chemicals policy as achieving a high level of environmental and human protection by implementing:

1. A full right to know - including what chemicals are present in products.
2. A deadline by which all chemicals on the market must have had their safety independently assessed. All uses of a chemical should be approved and should be demonstrated to be safe beyond reasonable doubt.
3. A phase out of persistent or bioaccumulative chemicals.
4. A requirement to substitute less safe chemicals with safer alternatives.
5. A commitment to stop all releases of hazardous substances into the environment by 2020.

"IRRESPONSIBLE CARE"

- We urgently need to establish these principles in practise, as the current European chemicals policy does not deliver. It does not provide sufficient knowledge of, and public information about chemicals in use. It has been ineffective in controlling dangerous substances. Tens of thousands of synthetic chemicals are used without any safety information being available until we find them in our bodies - reducing sperm counts and polluting breast milk.
- We cannot continue this large scale “in-vivo experiment with human health and nature”, while continuing to observe that chemicals-related diseases, especially in children, are increasing. The Commission White Paper reported figures from the US showing that over the last 30 years asthma cases have risen by 40%. Especially childhood asthma cases are the most prominent and an increasing number of children suffer neurological disorders.
- We urgently need a major shift from the current “wait and see” policy towards preventive and effective control.
- **To achieve this, the right lessons need to be applied: First of all, industry has to be much more active in providing information, following the principle, “no information - no market”. Second, clear criteria must**

be used to identify unacceptable substances, such as substances, which are persistent, liable to (bio)-accumulate or are hormone disrupting. Any production of such substances, where losses might occur, or any use in products must be prohibited. Industry may apply for temporary exemptions of specific uses upon proof that there is an overwhelming social need and no safer alternatives.

- The Commission has moved in the right direction by proposing the REACH system last year, which shifts the workload and burden of proof to industry and applies an authorisation scheme for any use of a chemical of very high concern.
- It is entirely obvious and logical that industry has to take on much more work, which is justified by the simple fact that they are making their profits with the chemicals, and are committed to responsible care. We have to take industry on its word to provide responsible care. And we need to apply the principle of getting the prices right here: the costs of products need to reflect the investments needed to protect the environment and peoples health.
- Looking at the summary of the Assessment, we have the following initial comments:
 1. The consultants have come to a maximum estimated bill for the new policy of 7 billion Euro. This figure shows how right we were to attack the chemical industry when it was throwing around figures of 20 to 30 billion. Mrs. Wallstrom was justified to call this "scaremongering". So the figures about the loss of jobs industry was presenting should also be withdrawn. Certainly also if we realise that 7 billion over more than 11 years is only 636 million a year, this is peanuts compared with the annual sales revenues of the sector of more than 488 billion Euro – in other words a 10th of a percent.
 2. The consultants have been using mainly industry estimates - costs which the industry itself thinks the new system will cost.

3. The report, however, presents it as a major challenge for industry and expects problems. We do not want to neglect this, but before going into more detailed questions, I want to make a general observation first: 85% of the total costs are expected to be for testing itself. If this is so, if so much testing needs to be done, according to industry sources, this means to me that industry does not know much about the substances they produce, import and finally bring on the market in our daily products. **I would not call this responsible care – but irresponsible care.** This is a clear reason to make sure that the new chemicals policy is dealing with this burden from the past. If industry had taken their responsibilities and duties under existing legislation seriously, costs would be much lower.
4. Furthermore: I would like to urge you to look at the full study, and to what extent the researchers have included the potential of innovation in testing. The new registration requirement will create a major drive to look for more cost-effective testing methods, a development we need, in any case, to minimize and eventually stop animal testing. Animal testing is an important cost-driver and a recent FoE report has shown that the number of animals used can be reduced drastically without compromising the objectives. The Commission, on the other hand, should commit itself to a flexible system of testing methods approval, so that innovation is rewarded.
- With thirty years of experience with environmental policies, we can say that despite fears and scaremongering around many environmental policy proposals, environmental policies have not weakened Europe's industrial competitiveness. Time and again pessimistic assumptions have proven wrong. Industry is much more flexible and innovative than its representatives choose to admit.

Conclusion

- The reversal of the burden of proof, and a solid system to prevent health and environmental impacts of chemicals is necessary, and cannot be

compromised. Weakening testing or registration requirements is not an option since it would compromise these objectives.

- We believe that our demands to include simplified registration of substances below 1 tonne and registration of all intermediates with a minimum information set is very much feasible, once real life elements are introduced, and positive business impacts taking into account.
- We are convinced that the environmental and human health benefits of a successful chemicals policy reform will be huge and will outweigh the costs many times. The Commission White Paper refers to 29 billion Euro arising in the EU from allergies. If only a small part of these costs can be saved the total costs will be outweighed.
- The industry estimation of costs should be used as a useful instrument to provide the most cost-effective measures. First paths are shown, like substance grouping, which prevents duplication of tests. However, we would like to consider the cost results as the upper-upper limit, given the sources of the information and the lack of inclusion of positive business impacts due to improved communication, innovation in testing methods, and safer alternatives. These increase the reputation and public confidence in the chemicals industry – all leading to competitive advantages for Europe's chemicals industry.
- Further to that, once more the cost assessment showed that we are living in a black box without being able to know about the safety of the thousands of chemicals that have been in use for more than 20 years of existing chemicals policy.
- It highlights the irresponsible care given so far to chemicals and the need to apply the right lessons now: shifting the workload and burden of proof onto industry.
- However, we recognise that chemical industry lobbyists are pushing hard to avoid taking on this responsibility, and to continue with the old and flawed system. Fears have been created about the chemicals industry's

competitiveness. Such fears have little substantiation. We believe that a strong regulatory system which promotes innovation, and sets out a clear path towards safe chemicals will not only re-establish confidence in the chemicals industry, but will also give European industry strong competitive advantages, protect industry from future liability claims, and provide qualified long-term jobs with a good reputation.

- Instead of creating fears, the chemicals industry would be wise to consider using a small part of their public relations budget to invest into a new system to increase public confidence in the sector, which would need only 0.1% of present turn-over.
- We wish that these positive aspects of innovation and competitive advantages will be further taken into account in the consultants work.

The EU has finally entered into a long overdue reform of a flawed system. Now policy makers have to use their responsibility to address the irresponsible care so far given to chemicals and choosing the most cost-effective way to do so. **It is time for action now, and not further delays, asking for more research.**