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Single market and Competitiveness *Flash feedback on EU Com study*

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Flash feedback

- ★ Objectives of the **functioning of REACH** for the metals sector :
- ★ - Ensure a high level of protection of the Environment, Workplace and Consumers
 - ★ - In balance with a competitive metals industry in the EU and a free circulation of its goods
 - ★ - Encouraging Sustainability aspects of products containing metals (hybrid car batteries, recycling, solar cell technique, ...)

★ Question :

★ **Did REACH demonstrated a change in any of those?**
★ Or even better, did REACH provided a *breakthrough* on any of those?



Flash Feedback

- ★
- ★
- ★☞ We just started to run the marathon. So what do we know after 100 meters ?
- ★
- ★



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Flash Feedback *Single market aspects*

- ★
- ★
- ★ Preparatory activities to the marathon learned however :
- ★- **Single market aspects :**
 - ★ - **Registration itself** was a huge effort/contribution on cooperative action between companies (manufacturers (and users)) creating awareness, knowledge, better level playing field, ...
 - ★ - **SIEFS** have not really functioned to promote "a single market" from a chemicals management perspective
 - ★ - **Selection of chemicals** for certain REACH programs seems driven by a wish for harmonisation at EU level but rather from a national / regional interest
 - ★ - **Interest from outside the EU** creating basis for a larger "common market" from a chemicals management perspective
 - ★ ... But competitiveness issues may occur..
- ★

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★ Flash Feedback: *Competitiveness*

★ **Competitiveness :**

- ★ - Investments in REACH: Not the main “competitive issue”
 - ★ - Average metal dossier : 0,5- several mio € per substance
 - ★ - Because of iterative refinement needs and investment in “quality”
 - ★ - Because recognition data relevance broader than Chem management
 - ★ - ... BUT : can be significant in case of intermediates registration
 - ★ - signs that registration fees and requirements seems to impact competitiveness due to cost reasons
 - ★ - Often disproportionate for the recycling industry given often more intermediate types and steps are required
- ★ - **HR** : yes REACH stimulated significant HR, but mainly only compliance jobs
- ★ - **Internalising costs** : Not possible given metals are a commodity

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★ Flash Feedback: *Competitiveness*

★ **Competitiveness :**

- ★ - A high level of chemicals management have created lots of knowledge and has been **positive for EHS goals** but so far *not demonstrated competitive advantage*
- ★ - **International (mining) companies :**
 - ★ - some took responsibility even when not active on EU market as a manufacturer !
 - ★ - Although in some cases they did not despite being the major producers and importer or articles... (could raise a competitiveness issue!)
- ★ - Application of REACH does **not consider Sustainability or Resource considerations** thereby creating trade/competitiveness disadvantages in some cases.
- ★ - **Uncertainty** with some REACH processes has let to questioning / postponing investments in manufacturing in the EU (not proven)

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★ Flash Feedback: *Competitiveness*

- ★ **Short term reactions (ST)** may not be the same as longer term BUT (probably anecdotal...):
 - ★ - Replacement of manufacturing in the EU by imported articles... seems promoted by recent authorisation listing
 - ★ - Focus on certain chemicals groups ? Does not promote internal competitiveness
 - ★ - Lack of support by manufacturers for small applications falling under authorisation for financial reasons only...
 - ★ - Costs for certain ECHA COM demands can be huge (up to 0,5 mio €) within a short period...
 - ★ - Competition between existing voluntary substitution programs and Authorisation / Restriction.... Can be easily avoided by recognising voluntary initiatives
 - ★ - Follow-up by (and interaction) DU's..... presently very limited !
 - ★ - Costs for Letters of Access are not always transparent... Creates some difficulties for those that need many (intermediates, recycling, ...)
 - ★ - Lack of sufficient HR for REACH trained advisors...
 - ★ - Timelines of procedures (Restrictions-Authorisation-...) has in some cases led to lost of cases because too short to avoid default assumptions



★ Flash Feedback

★ **Competitiveness :**

- ★ - **Short term reactions** may not be the same as longer term BUT (probably anecdotal...):
- ★ - **Longer Term : ???**
 - ★ - Lets hope for a stimulus in competitiveness & inclusion of SD criteria in focus of REACH that would fill the 3 objectives

