



EUROPEAN COMMISSION
IMPACT ASSESSMENT BOARD

Brussels,
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Opinion

Title **ENTR - Impact Assessment on: Commission Regulation (EU) Amending Regulation (EC) No 1907/2006 of the European Parliament and of the Council on the Registration, Evaluation, Authorisation and restriction of Chemicals (REACH) as regards Annex XVII (Cadmium) (draft version of 24 February 2010) (Comitology measure)**

(A) Context

Cadmium is a heavy metal which can harm human health and the environment. EU policy on health and safety allows its use only where there are no suitable alternatives (Framework Directive 89/391). At present the REACH regulation prohibits cadmium pigments and stabilisers in a wide range of products, and cadmium plating of some metallic products (Registration, Evaluation, Authorisation and restriction of Chemicals regulation, 1907/2006 entry 23, Annex XVII). A risk evaluation concluded that there is a need for specific measures to limit the risks from brazing sticks and jewellery (evaluation under Council Regulation (EEC) 793/93 since repealed by REACH, adopted in Commission communication 2008/C149/03, Commission Recommendation 2008/446/EC). Use of brazing sticks may lead to inhalation and acute respiratory problems and skin contact with jewellery or brazing sticks increases the risk of gene damage and cancers. In addition, the existing restrictions on cadmium in PVC are being reviewed. It is now technically feasible to produce cadmium-free PVC, which has been done by EU industry on a voluntary basis since 2001 (Vinyl 2010). However, in order to allow recycling of PVC waste containing cadmium a derogation is proposed for building products containing recycled PVC.

(B) Overall assessment

The IA report provides a thorough analysis of a variety of socio-economic impacts, and provides a sound evidence base for possible action. Some amendments are necessary to ensure that the conclusions are clearer and the evidence underpinning them is more accessible to a general audience. Additional evidence that is relevant to decision-making should be added, including on risks to child health from cadmium in jewellery and the ability of SMEs and third country producers to adjust to changes. The report should discuss more prominently coherence with other policies and stakeholder views.

(C) Main recommendations for improvements

(1) Make conclusions clearer and the evidence underpinning them more accessible to a general audience. The report would benefit from redrafting to clarify the overall conclusions, including the addition of a summary table or section presenting all significant costs and benefits in one place. Statements that anticipate a net benefit from the brazing and jewellery options should be well substantiated given the partial quantitative analysis suggests a net cost is possible. All quantitative estimates should be clearly linked to details of their source, methodology and assumptions that lie behind them.

(2) Additional evidence that is relevant to decision-making should be added. The report should discuss more fully the risks to children's health from cadmium in jewellery, and the ability of EU firms (especially SMEs) and third country producers to adjust to new restrictions. For children, the exposed population, level of risk relative to adults and health impacts should be described. The ability of business to adjust is relevant to all three issues, but more detail is particularly needed about the jewellery supply chain to explain the number of firms affected including EU-based importers, costs entailed for testing and cadmium substitution and trade issues. Options on jewellery should clarify how adjustment is taken into account. The reasons for ruling out consumer information options should also be stated. It should be made clear that there is low risk of health impacts from cadmium in PVC or environmental impacts due to cadmium release from any of the three products.

(3) More prominent discussion of coherence with other policies and stakeholder views. The report should outline towards the beginning how the options being discussed relate to other policies such as on worker health and safety. Views of key stakeholders affected in different ways should be indicated alongside options.

Some more technical comments have been transmitted directly to the author DG and are expected to be incorporated in the final version of the impact assessment report.

(D) Procedure and presentation

A concise overview of the stakeholders' opinions and the questionnaire used should be added to Annex II. Additional information on the source, methodology and assumptions of quantitative estimates should be added to the report, perhaps in an Annex, so it can be used as a standalone document. Tables assessing options (e.g. p23) should only describe costs under the 'efficiency' heading. The consistency of discarding option P5 but not option P3 despite their similar features should be reviewed. Throughout, it would be helpful if data used could be put into context to help non-specialists understand it.

(E) IAB scrutiny process

Reference number	2006/ENTR/011
External expertise used	No
Date of Board Meeting	24 March 2010