Impact of REACH:

What do we know today?

ECHA media briefing
6 March 2014

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How to achieve the health and environment objective?

- Better knowledge on properties and uses
- Improved communication in the supply-chain
- Better safety and control measures
- Reducing exposures and hence negative impacts
- Replacing (gradually) hazardous substances with less hazardous ones

- Key drivers in chemicals legislation: Registration, Supply chain communication, Authorisation and Restriction
How does this promote substitution?

- REACH and CLP promote substitution activities by their very design
- They provide a suite of tools that will push companies to search for and move to safer alternatives
  - directly (e.g. Restriction, Authorisation)
  - indirectly (e.g. CLP, Registration, extended-SDS, communication along supply chain)
- Increased accountability of downstream users and better public information will create a strong consumer demand for substitutes
- Substitution implies costs but developing new and safer chemicals will also stimulate innovation and hence support the competitiveness of the EU industry
State-of-play
REACH review: conclusions (1)

• REACH **functions well** and delivers on all objectives that at present can be assessed.
• Some needs for adjustments, but balanced against legislative stability and predictability, no changes to the enacting terms of REACH.
• In current framework, need to reduce the economic impact on SMEs.
• Many other opportunities for further improvement by optimizing implementation at all levels.
• Commitment of all actors involved is necessary.

INSIGHT: Data quality still an issue in REACH registrations

12 April 2013 15:49 [Source: ICSIS news]

By Tom Brown
London (ICSIS) - As winter in Europe starts to grudgingly give way to spring lengthening evenings and the blossom dotting the trees will remind complacency that summer is on the horizon, so too is the enforcement of REACH registration dossier quality.

NCC says REACH dossiers lack relevant EDC data

02 March 2013

An evaluation of the first tranche of registration dossiers submitted for Annex IV chemicals reveals serious gaps in the data that undermines the drive to make industry more accountable for quality.

ECHA launches tool to improve registration dossier quality

23 July 2013 / Europe

Intermediates: ECHA urges 574 registrants to improve the quality of their dossiers

ClientEarth urges companies accountable for quality

As REACH enters its second year, ClientEarth urges companies to improve the quality of their registrations to reduce the risk of future restriction or ban.
REACH review: conclusions (2)

Human Health and Environment

• Too early to quantify benefits but positive initial trend for substances already registered:
  • More and better information available
  • Increased information on substances is resulting in changes on classification (mostly more stringent) and
  • Better targeted risk management measures
  • Significant decrease in the risks
• Increased moves towards substitution of SVHC
Chemicals on the EU market have become safer in the last decade?

- Three in five Europeans share this view (61%)
- Every other EU citizen thinks that EU manufactured products containing chemical substances are safer than those imported from outside the EU (49%)
- Two thirds (65%) agree that in the EU products containing new chemicals have been properly tested
- Three in five (60%) agree that manufacturers should be responsible for the product safety

Flash Eurobarometer 361, TNS, Feb 2013
Is substitution to safer chemicals actually happening?

• Yes, seen for instance by:
  • Relatively low number of CMRs registered
  • Relatively low number of applications for authorisation

• But difficult to quantify for ECHA!

• When industry decides to substitute, especially at the downstream user level, ECHA does not necessarily get the information
REACH review: conclusions (3)

Internal Market and Competitiveness
• Positive economic effects for business through harmonization, but:
  • Sizeable registration costs have increased market concentration
  • SMEs more vulnerable and insufficiently aware (mainly Downstream Users)

Innovation
• Increased communication in the supply chain
• Suppliers more informed about customer uses and needs
• Substitution of SVHCs as a source of innovation
• Reorientation of R&D expenditure towards regulatory compliance
Are eco-innovation and competitiveness compatible?

Finland, Germany and Sweden are highly competitive, and leaders in eco-innovation.
Linkages between Environmental Policy and Competitiveness

Typically, even when implementing the environmental policy is clearly in the overall interest of society, the costs and benefits of the policy are unlikely to be equally shared among economic agents. While some win, individual firms or industries may stand to lose. Policy design should make sure that the adverse competitiveness impacts are not unnecessarily large, for example by paying attention to predictability, transition periods, and transaction costs.

Conclusion

• The system works, but there’s room for further improving the implementation
• REACH provides much better data for the whole industry - for smart companies a competitive advantage
• Better supply chain communication creates possibilities, e.g. for competitive vertical integration
• Responsible care -> better reputation of EU suppliers in the eyes of domestic and international customers
• But it takes time.........and effort from all parties!
Thank you!

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