

FEBRUARY 28, 2024

Understanding Evolving European Chemicals Policies – Part I

This webinar is being hosted by:

- UMass Lowell's Sustainable Chemistry Catalyst
- Change Chemistry
- FIPRA



Ground Rules

- Please keep your lines muted and your videos off.
- Use “speaker view” in Zoom – it offers the best viewing experience.
- If you have a question or comment, please type it in the “Chat” box located in the control panel or use the raise hand function.
- Questions will be answered during and at the end of the presentation.

Factsheets Available

Factsheets were developed as part of a series on evolving European Union chemical policies. To download this information, please visit:

www.sustainablechemistrycatalyst.org/eu-chemical-policy

The image displays three overlapping factsheet covers. The top cover is titled 'THE EUROPEAN GREEN DEAL' and 'OVERVIEW FROM A CHEMICALS PERSPECTIVE'. The middle cover is titled 'THE EU POLICY MAKING PROCESS' and 'OVERVIEW'. The bottom cover is titled 'EU CHEMICALS STRATEGY FOR SUSTAINABILITY' and 'OVERVIEW'. Each cover includes a summary, background & context, and description. The bottom cover also features a diagram of the EU institutions and a list of key actions from the Chemicals Strategy for Sustainability (CSS).

THE EUROPEAN GREEN DEAL
OVERVIEW FROM A CHEMICALS PERSPECTIVE
This factsheet was developed as part of a series on evolving European Union chemical policies.

SUMMARY

- The European Green Deal is a set of policy initiatives presented in December 2019 by the European Union (EU) whose overarching goal is to achieve climate neutrality in the EU by 2050.
- The Green Deal covers a range of sectors, including energy, transport, industry, agriculture, and forests. It aims to reduce greenhouse gas emissions, improve energy efficiency, promote renewable energy, protect biodiversity.
- The EU Chemicals Strategy for Sustainability (CSS) is part of the Circular Economy Action Plan (CEAP), Economic Sustainable Products Regulation (ESPR), Transition Pathway for the Chemical Industry, and various financing and reporting requirements are the relevant initiatives to watch regarding chemical management.
- The Green Deal is a major undertaking that requires significant investment and cooperation from stakeholders.

BACKGROUND & CONTEXT

The European Green Deal, presented on 11 December 2019 by President Ursula von der Leyen, is a growth strategy for the European Union. It was climate change, as well as the need to promote economic growth and job creation through green transition in environmental and climate action.

DESCRIPTION

The Green Deal covers all aspects of the EU's economy from energy, transport, agriculture, and industry to renewable energy and the circular economy. Under the leadership of President Ursula von der Leyen, the Green Deal includes support for workers and transition as well as funding incentives to drive elements were introduced and illustrated in 4 Communication on the *EU Green Deal*. Some of these elements are laid out in APPENDIX 1, along in time. While many of the initiatives involve

THE EUROPEAN UNION (EU) INSTITUTIONS

Founded on November 1, 1993, the European Union (EU) is a complex political and economic union composed of several institutions that work together to make and implement policies across the Member States (countries that have joined the EU). The main EU Institutions (FIGURE 1) work together to create and enforce EU policies, regulations, and legislations in various areas, such as trade, environment, and security, among others. The EU institutions are established by the Treaty of Rome and have evolved by the EU treaties and evolve with the de

FIGURE 1. The main European Union (EU) institutions

THE EUROPEAN COMMISSION

The European Commission (herein referred to as the Commission) is responsible for proposing and implementing managing programs approved by the Council. It also represents the EU in international relations. The Commission consists of 27 commissioners based on their expertise and experience.

The Commission proposes new laws and the Parliament and the Council of the European Union are responsible for monitoring and approving them. The Commission is referred to as the 'executive' of the EU. The Commission through actions such as external efforts, and shape proposals during initial

EU CHEMICALS STRATEGY FOR SUSTAINABILITY
OVERVIEW
This factsheet was developed as part of a series on evolving European Union chemical policies.

SUMMARY

- Published on 14 October 2020, the European Commission's (EC) Chemicals Strategy for Sustainability (CSS) represented the first step towards the 'Zero pollution ambition for a toxic-free environment' announced in the European Green Deal.
- The CSS includes over 70 actions to be implemented between 2021 and 2024 as part of the Commission's commitment to addressing harmful chemicals in consumer products; however, the recent Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) Revision delay has impacted several of these actions, making their trajectory towards implementation uncertain.
- Several public consultations have been carried out to gather input on the REACH and Classification, Labeling, and Packaging (CLP) revisions, and the Commission contracted studies to feed into the Impact Assessment that are expected to inform the decision-making process.
- The CSS tries to strike a balance between protection of health and the environment and innovation and industry competitiveness.

BACKGROUND & CONTEXT

The Chemicals Strategy for Sustainability (CSS) was adopted in 2020 as a key policy initiative of the Green Deal and its components will likely have the largest direct impact on the chemical industry, among the many other initiatives of the Green Deal. While both the European Parliament and the European Council have shown support for the CSS and called for its timely implementation, the recent delay in the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) Revision has impacted several of the CSS actions to be implemented between 2021 and 2024, introducing considerable uncertainty regarding their timelines for implementation. Many CSS initiatives are broadly horizontal / cross-cutting across many sectors (e.g. cosmetics, detergents, toy safety) and will require revisions to sectoral legislation to implement. With the timing of many of these initiatives and their related sectoral legislation coming out on disparate timelines, ensuring horizontal alignment will be challenging.

DESCRIPTION

The CSS is distributed across various proposals and includes a wide range of over 70 actions. Some of the prominent actions include:

- Banning the most harmful chemicals in consumer products.
- Phasing out the use of per- and polyfluorinated substances (PFAS) in the EU.
- Requiring companies to substitute hazardous chemicals with safer alternatives.
- Supporting the development of new, safe, and sustainable chemicals.

Understanding Evolving EU Chemicals Policies – Part II

Coming up 24th April 2024 – Regulatory Policies as part of the Chemicals Strategy for Sustainability (REACH Revision, CLP/EDCs, Essential use concept, restrictions roadmap and more...)



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Upcoming Events

2024 European Forum

(Limited space available)



2024 Innovators Roundtable



Bringing emerging European policies to the US 2000–2007

- Background research on Member State and European Commission chemicals policy
- Background research and engagement on REACh development
- European experts tour 2003
- First US National Summit on Chemicals Policy reform – 2005
- Formation of GC3 (now Change Chemistry) – 2005
- REACh trainings 2005–2007

New Directions in European Chemicals Policies

Drivers, Scope, and Status

SEPTEMBER 2003

JOEL TICKNER, Sc.D. and KEN GEISER, Ph.D.



Innovations in the European Union to Develop Integrated Chemical Policies

Wednesday,
October 22, 2003
9:00 a.m. to 5:00 p.m.
U.C. Berkeley (Loman
Room, 8th floor,
Barrows Hall)

Forum Moderator:

Professor
Ken Geiser
Co-Director,
Lowell Center for
Sustainable
Production
University of
Massachusetts,
Lowell

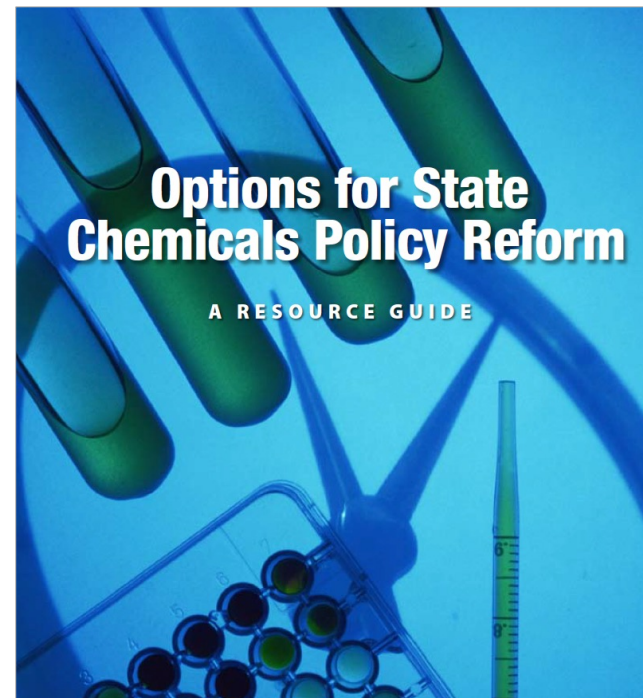
- 9:00 - 9:15** **A** Welcoming remarks from representatives of sponsoring organizations (Holly Brown-Williams, CPRC; Richard Kreutzer, DEODC; John Balmes, COEH)
- 9:15 - 9:30** **G** Introduction to the event and to the panelists (Ken Geiser)
- 9:30 - 10:15** **E** Presentation on the REACH policy (members of E.U. panel)
- 10:15 - 10:30** **N** Q & A
- 10:30 - 10:45** **D** Break
- 10:45 - 11:30** **E** Presentation on other European and E.U. policies (members of E.U. panel)
- 11:30 - 12:00** **N** Q & A
- 12:00 - 1:30** **D** Lunch break (off site, no host)
- 1:30 - 1:40** **B** Welcoming Remarks from Chancellor Robert Berdahl
- 1:40 - 2:00** **D** Overview of facilitated break-out sessions (Ken Geiser)
- 2:00 - 3:15** **A** Break-out groups meet
- 3:15 - 3:30** **A** Break
- 3:30 - 4:45** **A** Reconvene in plenary session to share outcome of break-out group discussions
- 4:45 - 5:00** **A** Closing Remarks (Ken Geiser)

SPONSORS

California Policy Research Center (University of California Office of the President)
Center for Occupational and Environmental Health (University of California, Berkeley)
Division of Environmental and Occupational Disease Control (California Department of Health Services)

Options for State Chemicals Policy Reform

A RESOURCE GUIDE



January 2008

Emerging – Change Chemistry Advocacy Platform – Europe

In 2023 – Expansion into Europe decision to bring policy advocacy under Change Chemistry and leverage all members.

Current Focus

Continue to educate policy makers in the US and Europe on sustainable chemistry commercialization and adoption needs:

- Build sustainable chemistry innovation into funding and policy efforts
- Continue building a presence in Europe focused on advancing sustainable chemistry incentives in key European Green Deal policies
- Education of Change Chemistry members on key policy proposals affecting sustainable chemistry in the States/US/EU
- Build a stronger and diverse stakeholder coalition to advance sustainable chemistry policy goals



Call to Action!

Change Chemistry members that would like to take part in the European Advocacy Working Group. Please reach out to Asli Tamer Vestlund via email at asli@changechemistry.org.

We also welcome other stakeholders and organisations to build a strong and diverse stakeholder coalition.



Today's Speaker



Jan Ahlskog

Senior Director at FIPRA
and Secretary General of
the European Regulation
and Innovation Forum

UNPACKING THE GREEN DEAL AND CHEMICALS STRATEGY FOR SUSTAINABILITY

Webinar series - Translating European Chemical Policies



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Agenda

1. EU Policy Process overview
 - Overview of the main EU institutions
 - The Ordinary Legislative Procedure
 - Commission priorities and Upcoming Elections
2. The European Green Deal
 - Overview
 - Key Deliverables and Initiatives
 - Future outlook
3. The Chemical Strategy for Sustainability
 - Overview
 - Main initiatives
 - REACH Revision
 - Case study: u-PFAS Restriction Proposal





AN INTRODUCTION TO THE EU INSTITUTIONS & DECISION MAKING PROCESS

The Decision-Making Institutions

The Institutional Triangle in the Power Game



European Parliament

CITIZENS' INTERESTS



European Commission

GENERAL EU INTERESTS



**The Council of the EU
(Council of Ministers)**

MEMBER STATES' INTERESTS

AND: European Council (Summit)... “shall define the general political directions and priorities (of the EU)...it shall not exercise legislative functions”

In a Nutshell



EUROPEAN COMMISSION

- Technical and political
- Initiates legislation
- Oversees implementation
- Commission President + 26 Commissioners have 5-year mandate
- Defines the EU legislative agenda for the 5-year term



EUROPEAN PARLIAMENT

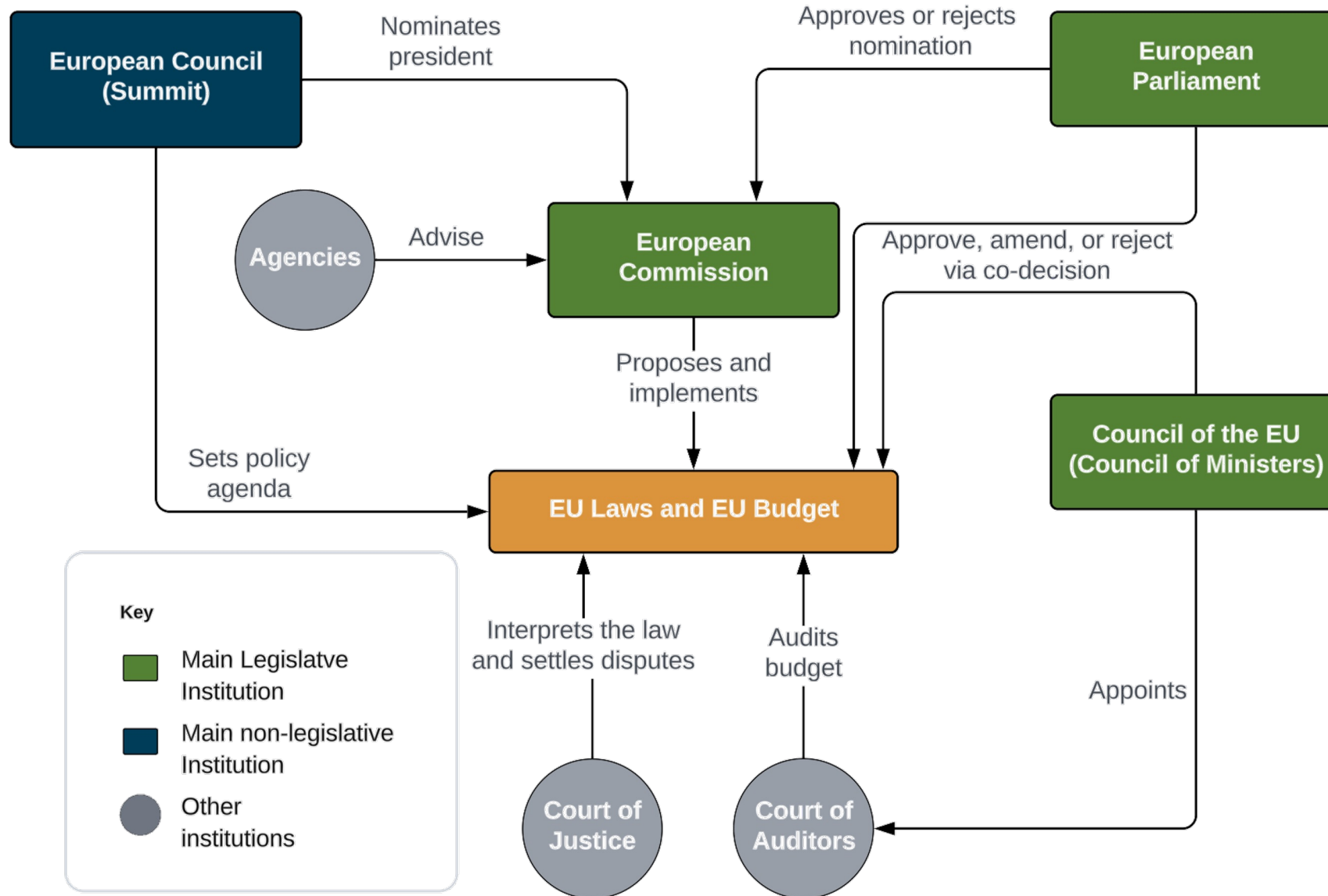
- Political
- Brussels and Strasbourg
- Co-legislates
- 5-year period
- 705 Members of the Parliament (MEPs) directly elected in the 27 Member States
- 7 political groups



COUNCIL OF THE EU

- Strategic and political
- Brussels (Permanent Representations) and Member States' capitals
- Co-legislates
- 6-month rotating presidency
- Trio system: Groups of three successive rotating presidencies (countries) working over an 18-month period to ensure continuity and coherence of the Council's agenda

Overview



The Ordinary Legislative Procedure (Codecision)



- The legislative procedure for >90% of EU legislation
- A key example of Power Play within and between the EU Institutions
- Invokes both Process and People
- Includes both Preparatory and Legislative phases

NB Preparatory phases offer the best opportunities for effective Advocacy

Codecision within the Institutions

Preparatory Phase



European Commission

- Consultation of Stakeholders
- Green/White Papers
- Draft Proposal
- Impact Assessment
- Interservice Consultation



European Parliament

- Own Initiative Reports:
- Legislative (INL)
 - Non-Legislative (INI)



Council of Ministers

- Resolutions and Decisions

Codecision (Ordinary Legislative Procedure)



Parliament and Council must agree



3 possible moments to reach agreement (2014-2019)

- First reading **89%**
- Second reading **11%**
including early second reading
- Conciliation and third reading **0%**



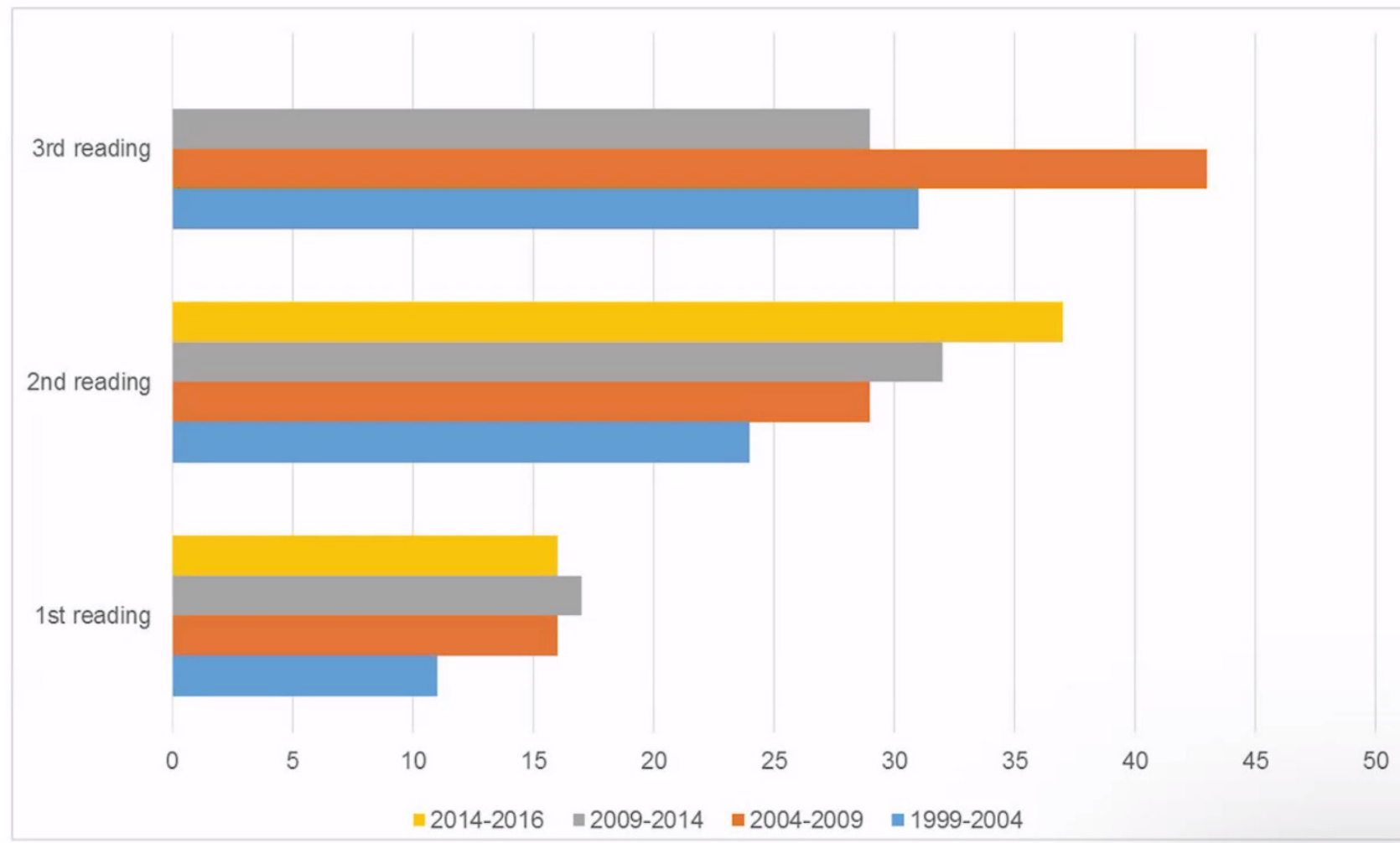
Method of negotiation in all cases

- Informal tripartite meetings (“trilogues”)

Codecision in action

Dynamics of Timing

**Average duration
(in months) of
the Codecision
Process**



Source: EP Activity Report DV/1112171EN.doc

Codecision in action

EP
(Committees /
Plenary)
Monthly

Commission
(GRI / College)
Weekly

Dynamics of Timing **Working Cycle**

Council
(Coreper)
Weekly

European
Council
+/- Monthly



The European Parliament Election Process

- Every five years EU citizens in each Member State have the opportunity to vote for candidates to represent them in the European Parliament.
- Most member states use a proportional representation system, where the number of seats a party gets is proportional to the number of votes it receives.
- Political parties in each member state present lists of candidates. Voters cast their ballots for a party, and the seats are allocated to candidates on the party list based on the proportion of votes the party receives.
- The total number of seats in the Parliament is distributed among the Member States based on their population. Each member state determines the number of seats allocated to each party based on the election results.
- Once elected, Members of the European Parliament (MEPs) organize themselves into political groups based on common ideologies or interests.
- The newly elected Parliament then convenes to elect its President and other key officials.



The next EU legislature 2024 - 2029

- 1. Nomination:** Each EU Member State nominates a candidate for the position of European Commissioner.
- 2. President's Proposal:** The European Council consults with the European Parliament and proposes a candidate for the position of President of the European Commission, taking into account election results from the European Parliament.
- 3. Parliamentary Approval:** The President of the European Commission is elected by the European Parliament. The President then works with Member States to propose a list of Commissioners-designate.
- 4. Hearings:** Commissioners-designate undergo hearings in the European Parliament, where their qualifications and suitability for the role are assessed.
- 5. Parliamentary Vote:** The European Parliament votes on the entire College of Commissioners. If a majority approves, the new Commission is confirmed.
- 6. Appointment:** The European Council officially appoints the College of Commissioners.

Commission's Priorities and Upcoming Elections

Commission priorities

- Commission's 2019-2024 priorities: Green Deal, digitalization, economic growth
- Political shifts expected due to upcoming elections
- Focus on defence, competitiveness, and industry enhancement

European Parliament Elections 2024

- Expected trends for 2024 European Parliament elections:
 - Approximately 60% of MEPs will be new.
 - Emphasis on youth participation, with younger candidates nominated.
 - EPP remains largest group, S&D follows; ECR gains seats, Greens/EFA projected to lose.
- Anticipated increase in fragmentation, larger groups losing ground.

New EU legislature focus and challenges

- Enlargement is a key focus for the upcoming EU Commission, with discussions shaping the scope and potential multi-speed approaches.
- Challenges for the new EU leadership include boosting innovation competitiveness, addressing outcomes of the U.S. election, reducing fossil fuel dependencies, and achieving decarbonization goals amidst varying industrial bases and environmental standards compliance capabilities

Q&A Session



AN OVERVIEW OF THE EUROPEAN GREEN DEAL AND ITS FUTURE OUTLOOK

The European Green Deal

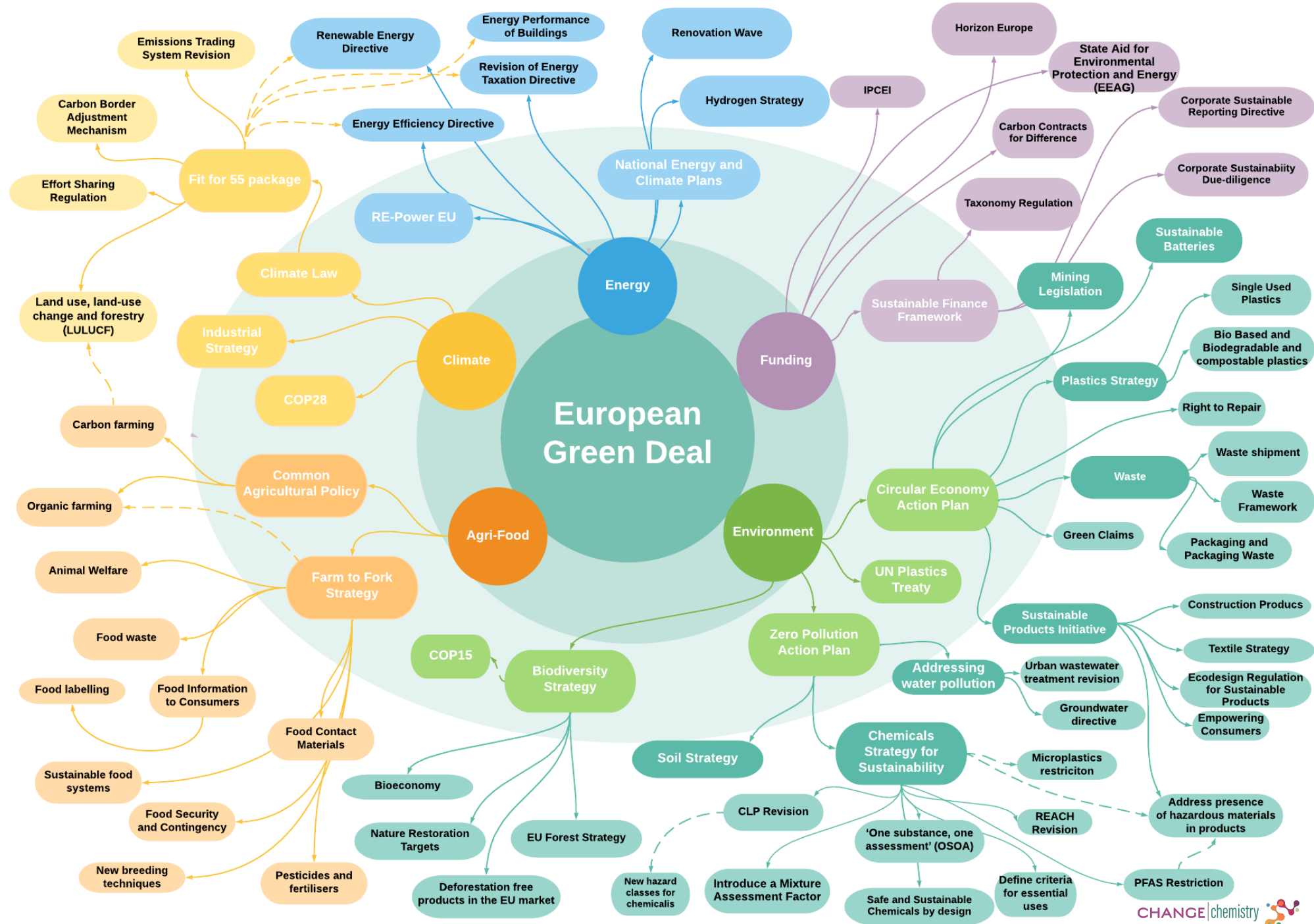
Growth strategy presented in December 2019 to make the EU's economy sustainable and transform the Union into a modern, resource-efficient and competitive economy, where there are no net emissions of greenhouse gases by 2050 and economic growth is decoupled from resource use.

Objectives:

- Boost the efficient use of resources by moving to a clean, circular economy
- Restore biodiversity and cut pollution
- Achieve climate neutrality by 2050

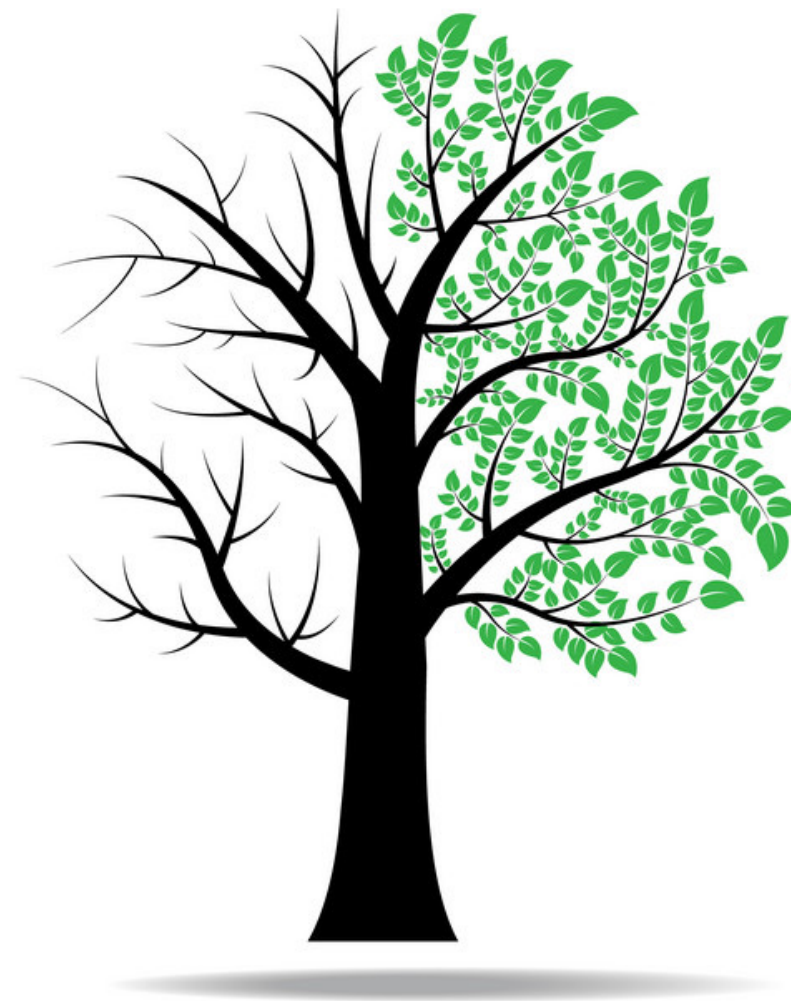
The Green Deal enhances chemical safety by restricting hazardous substances, fostering safer alternatives, and strengthening regulations; incentivizes innovation in environmentally friendly technologies, aiming to produce more sustainable and less harmful chemical products.





The future of the European Green Deal

- The approaching 2024 EU elections present a challenge in balancing green policies with support for EU industries, considering internal regulation, foreign competition, energy costs, and right-wing populism
- Keeping EU industries competitive is a top priority, and the ongoing talks are leaning towards a new industrial deal instead of Green Deal 2.0. Key policies will likely stick around, but there's a noticeable shift towards being more industry-friendly
- Another priority will be to ensure consistency among the different Green Deal initiatives and their comprehensive implementation at the Member State level, an aspect that currently poses significant challenges
- Securing significant green funding in the upcoming EU budget is crucial for maintaining consensus on climate action, but Member States like Germany, Poland, and Italy may have varying perspectives due to differing calls for a slower legislative pace
- Key Green Deal legislation proposals, such as addressing microplastics, revising chemicals legislation, and introducing the Animal Welfare Regulation, are pending, and might be 're-drafted' ahead of the next Commission's mandate





Expectations for the next legislature

- Growing support for a gradual green transition in the next EU legislature, with a larger focus on the economy. This approach aims to bridge environmental and economic concerns, fostering sustainable growth and mitigating disruptions to industries.
- Likely continuity of Ursula von der Leyen as the President of the Commission in the next term.
- Frustration around the Green Deal has been growing in her own party (EPP) as it is considered to put too much pressure on businesses and farmers. Resulting on EPP attempts to weaken draft laws on pesticides, nature restoration, due diligence, eco-design, as well as the Commission's delays on REACH and Green Claims.
- New EU leadership faces challenges in boosting innovation competitiveness, especially in comparison to the United States and Asia.

Q&A Session



THE EUROPEAN CHEMICALS STRATEGY FOR SUSTAINABILITY (CSS) AND ITS MAIN INITIATIVES

The Chemicals Strategy for Sustainability (CSS)

- Announced as the first deliverable under the zero-pollution ambition of the Green Deal, on 14 October 2020
- Tries to strike a **balance** between **innovation** and competitiveness of the industry and **protecting** health and the environment.
- **+70 actions** flowing from the plan have started to be implemented at the beginning of 2021 and are expected to be **finalised by 2024**.
- Several public consultations to gather input (REACH and CLP revisions, OSOA).
- The Commission has contracted studies on several of the actions (MAF, GRA, Essential Use) to feed into the Impact Assessment.



Expected changes and concrete actions proposed can be grouped into:

Protection

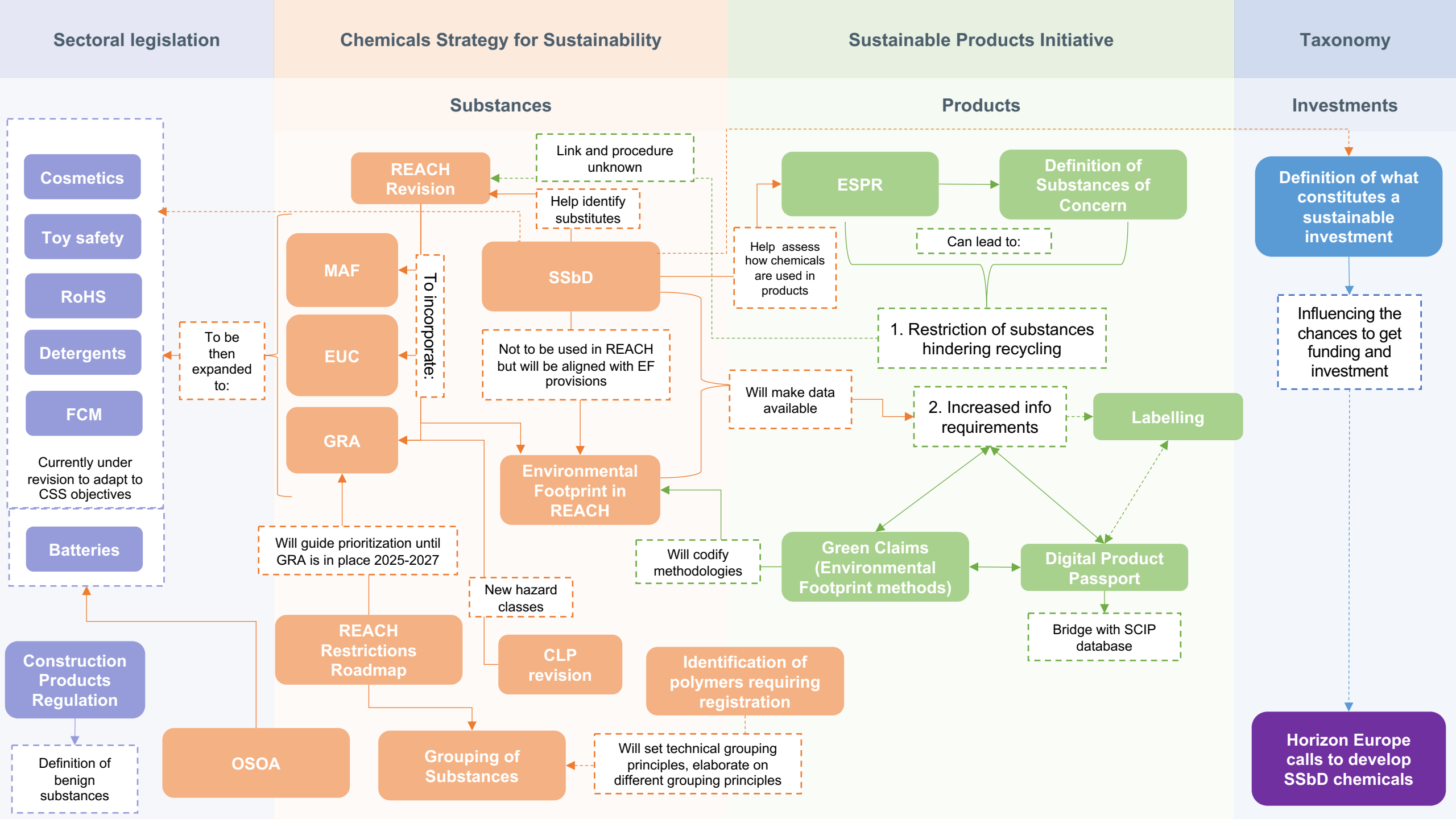
- Phasing out most harmful chemicals (e.g., PFAS) in consumer products (cosmetics, detergents, food contact materials and textiles)
- Generic Risk Approach (GRA)

Innovation

- Shift to safe and sustainable-by-design chemicals
- More funding and R&I actions

Simplification

- Introducing the 'One substance one assessment' process (OSOA)
- Targeted amendments to REACH and sectorial legislation (essential use concept)
- Grouping of Chemicals



Proposals related to the Chemicals Strategy for Sustainability (CSS)

1. Restrictions Roadmap

Roadmap to prioritize group restrictions on substances of concern until the new approach to risk management (GRA) is in place

Publication: November 2023

2. REACH REFORM

Simplification of procedures and tighter scrutiny over substances of concern

Proposal: 2024/2025 (to be confirmed)

3. CLP REFORM

Adding new hazard classes & clarifying, strengthening or complementing some provisions

Proposal: December 2022 (final adoption Q1 2024)

New hazard classes: Q1 2023 (guidance document: Q1 2024)

4. ECHA FOUNDING REGULATION

Providing a legal framework for ECHA, clarifying its tasks, financing model and governance

Proposal: 2024/2025 (to be confirmed)

5. Reallocation of agency technical and scientific work (OSOA)

Streamlining scientific and technical work on chemicals by making best use of the agencies' expertise

Publication: December 2023

6. SAFE AND SUSTAINABLE BY DESIGN

Framework outlining the steps for assessing safety and sustainability of chemicals and materials.

Publication: December 2022 (ongoing)

7. REVISION OF SECTORAL LEGISLATION

Specific sectoral legislation will need to be amended to adapt to the CSS: IED, Cosmetics, Toys, FCM, Water, etc.

Publication: 2022/2023/2024

Policy context (Q1 2024)

REACH

The Commission has faced increased pressure in the past months. A leak impact assessment, which faced a backlash from NGOs, significantly reduced the scope of the GRA focusing on consumer products only. The Commission might change its approach, to release burden on the industry and allow lawmakers to get the necessary time to work on the revised proposal.

PFAS

*Different restrictions processes ongoing (PFAS in firefighting foams, PFHxA, and universal PFAS).
Lot of uncertainty due to complexity of the universal PFAS (U-PFAS) dossier.*

Substitution framework

DG GROW has launched a study on chemicals substitution, starting in January with a first stakeholder workshop scheduled on 1 March. The regulatory tool will be used for upcoming chemicals authorisations and restrictions.

Expected impacts

Significant additional uncertainties related to an undefined, potentially large number of substances of concern in REACH which will be subject to restrictions, hence need to be substituted.

FIPRA expects pressure around a REACH revision to continue after the EU elections.

Growing pressure from all sides on the U-PFAS dossier (NGOs, MEPs, industries). Need to understand impacts for clients (on derogations they might be granted from the Commission based on ECHA's opinion, and which sectors are going to be discussed at next RAC/SEAC plenaries).

The substitution framework aims to deal with complex restriction cases and should support critical/essential sectors for which alternatives might be available but only in the long term.

In parallel, the Parliament will fund a pilot project for the creation of an 'EU Hazardous Chemicals Substitution Centre' to financially support companies in the assessment of alternatives.

Q&A Session

Thank you for your attention!



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Final Questions?

Thank you!

Please contact us for further information.

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