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DRAFT OPINION

Safe and sustainable chemicals for a toxic-free environment in Europe's cities and regions

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Deadline for tabling amendments:

3 p.m. (Brussels time) **on 20 April 2021**. Amendments must be submitted using the online tool for tabling amendments (available through the Members' Portal at https://memportal.cor.europa.eu/).

Number of signatures required: 6

Reference document
Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions <i>Chemicals Strategy for Sustainability – Towards a Toxic-Free Environment</i> COM/2020/667 final
COR-2020-05137-00-00-PAC-TRA (EN) 1/12

Draft opinion of the European Committee of the Regions – Safe and sustainable chemicals for a toxic-free environment in Europe's cities and regions

I. POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS

The importance of the chemicals strategy

- strongly welcomes and supports the steps leading to the implementation of the chemicals strategy,
 as chemicals have dominated almost the entire product manufacturing market and play a
 fundamental role in everyday life; stresses that these activities are of particular importance in the
 context of human health, environmental protection and the economy, including the development
 of safe and sustainable chemicals;
- 2. recognises the added value of the strategy in terms of increasing the competitiveness of the European chemicals sector, harnessing the key role of chemicals to ensure climate neutrality, achieving the goals of the Paris Agreement, meeting the ambitions of the circular economy, supporting the plan for the recovery and energy transition and integrating various aspects of chemical governance, including safety, energy efficiency, environmental impact, research and innovation:
- 3. points out that the COVID-19 crisis has proven the vulnerability of our societies to threats and the need to enhance their resilience against economic, social and environmental shocks; reaffirms the central role of the new European Recovery Instrument in supporting the EU, while paving the way for a greener and just transition and sustainable future;
- 4. considers technology sovereignty and a resilient and sustainable European value network and closed European value chains to be essential, especially for the implementation of the Green Deal and the energy transition; points out the advisability, in the interests of sustainable solutions, of avoiding relocation of the production or use of substances regulated in the EU to third countries where comparable high standards of occupational health and safety and environmental protection are not guaranteed: only attractive and stable framework conditions can retain or restore levels of value added and production in Europe's regions and close value chains;
- 5. calls for recognition of the importance of multilevel governance in order to effectively link the goals and objectives of the chemicals strategy to the green recovery of the European economy; stresses that the wide range of topics covered by the objectives of the chemicals strategy allows for the integration of new and existing plans in the chemicals sector, as well as for the development and implementation of measures that can take due account of local market needs and complement national efforts in accordance with the principle of subsidiarity;
- 6. underlines that National Recovery and Resilience Plans represent an opportunity to use the potential of multilevel governance, including in implementing the chemicals strategy. These actions have to be backed by appropriate regulatory frameworks and resources by fully involving

local and regional authorities in the definition and implementation of the plans and granting them direct access to EU funds;

- 7. draws attention to a number of legal, financial and technical barriers faced by local and regional authorities in the handling of chemicals. A coherent, predictable and simplified legal framework will contribute to a uniform approach to the assessment and management of chemicals in all EU countries. This will limit the emergence of further legal gaps between the EU and other regions. In addition, grants and technical assistance will enable local and regional authorities to support investments related to the development, commercialisation, implementation and uptake of safe and sustainable substances, materials and products;
- 8. welcomes the possibility for the European Commission to support research and innovation, including the development of advanced materials for applications in the energy, construction, mobility, health, agriculture and electronics sectors to ensure the green transition, research, development and deployment of low-carbon manufacturing processes for materials and chemicals with a low environmental impact, innovative business models, including those based on a more efficient use of chemicals and other resources, and minimising waste and emissions as much as possible¹;

Consistency of the chemicals strategy with areas covered by other EU documents

- 9. points out that, given the numerous solutions designed to protect human health and the environment, the chemicals strategy for sustainability is closely linked to the objectives of the Green Deal. The implementation of comprehensive legislation for the chemicals industry can help to ensure that they are applied transparently and enforced effectively. Introducing new requirements and restrictions on the use of chemicals in consumer products, including detergents, cosmetics and food contact materials, will help improve the environment and consumer health. However, the stability and effectiveness of the planned changes for the chemicals sector will depend to a large extent on compatibility with the solutions already in place, time and the resources provided to carry them out;
- 10. calls for a clear and coherent policy to ensure, at both local and regional and global levels, tools and resources to promote the circular industry, from designing solutions to implementing sustainable production, distribution, use, recycling, recovery and disposal of chemicals, while respecting the environment and the health of the population;

The specific role of regions and local authorities

11. expresses the keen interest and willingness of regions and local authorities to take action to improve the safe production and sustainable use of chemicals. These activities should be supported by appropriate regulatory frameworks and resources through full access to knowledge and the guarantee of financial resources for these authorities. In addition, the authorities could

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Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions *Chemicals Strategy for Sustainability – Towards a Toxic-Free Environment.*

obtain feedback on difficulties and problems with the implementation and application of the legislation in place;

- 12. in view of the close relationship between local and regional authorities and residents, and the direct knowledge of the specific features of individual regions, highlights the possibility of preparing and conducting campaigns to raise public awareness of the principles and objectives of the chemicals strategy. Direct cooperation between local authorities and businesses operating in their region makes it possible to assess the problems resulting from the application of the introduced regulation on a practical level. It is important that both local authorities, who are responsible for directly applying the law, and the bodies responsible for overseeing compliance with it, have the appropriate legal tools to monitor and control compliance;
- 13. notes that local and regional authorities have an important role to play in implementing the chemicals strategy; taking into account the direct knowledge of the specific features of individual regions, stresses the importance of the involvement of these authorities in carrying out an information campaign to raise awareness (including among SMEs and residents/citizens) and to encourage specific sectors of the economy to substitute harmful chemicals with alternative substances and to use design to try to produce safe and sustainable chemicals and materials;
- 14. considers it important for local and regional authorities to require the goods and products they acquire through public procurement to contain safe chemicals, thus helping to ensure that undesirable goods and products are phased out;
- 15. stresses the particular importance of SME innovation and investment capacity to safe and sustainable production and use of materials, the potential of which can be effectively harnessed through support and dialogue at local and regional level. SMEs in particular offer specific chemicals for innovative speciality and niche products and adaptation to the needs of these. Since they tend to need small quantities and a high variety of chemicals, they are more likely to be affected by the problem that the established procedures for each substance are very costly and time-consuming and they are reliant on information or collaboration from pre-registrants, authorisation holders, suppliers and customers. Interregional support can be very useful here;
- 16. calls for requirements for local authorities and SMEs to be comprehensible, transparent and reasonably administratively manageable; notes on this point that a lot of important information is still only available in English and this language barrier is a problem;

Organising how the strategy is implemented

- 17. considers that, in order to ensure that the chemicals strategy is implemented successfully, efforts must be determined in accordance with a bottom-up approach and fairly distributed between EU territories in line with the principles of subsidiarity and proportionality, while ensuring the necessary flexibility bearing in mind the cost-benefit ratio;
- 18. stresses the need for an implementation plan for the chemicals strategy that makes the obligated parties feel safer, minimises the risks arising from its implementation and allows for ongoing monitoring of progress and an efficient response to threats;

- 19. at the same time, points out that the functionality and reactivity of certain chemicals required for certain uses is often part and parcel of their hazardous properties. Processes and technologies must therefore also be included and promoted that enable the safe use of dangerous substances throughout their life cycle. Specific unacceptable risks must be identified and excluded;
- 20. points out that implementing the strategy will require flexible and innovative solutions as well as new business models to introduce and promote innovative technologies. This will help rebuild the economy, increase the competitiveness of SMEs and implement solutions to improve human health and the environment through:
 - implementing the circular economy and sustainable agro-industrial systems;
 - introducing sustainable bio-based solutions;
 - pursuing health and environmental policies;
 - transitioning to a sustainable blue economy;
 - ensuring a sustainable and fair transition and job creation, while subsidising projects in line with the strategy's goals;
- 21. recommends that local and regional authorities be consulted when drawing up national plans for strategies and building resilience; encourages the European Commission to draw on the experience gained through the CoR's network of regional hubs;
- 22. encourages the Commission and the chemicals regulation authorities (ECHA, Member State authorities) and expert panels (e.g. RAC) to facilitate greater procedural transparency and scientific exchanges with the companies and regions concerned in the interests of practical and sustainable solutions. This is particularly necessary in impact assessments and in the identification and definition of "essential societal uses", which must not give rise to the exclusion of safe uses of substances without proper justification; asks that consideration be given to whether every decision to put a substance on the candidate list (for authorisation) should be preceded by a risk management option analysis;
- 23. recognises the great potential of the agriculture, textiles, electronic and construction sectors in implementing the chemicals strategy. These sectors play an important role in the whole process and contribute to the development of sustainable and safe chemicals, as they use them extensively in their activities;
- 24. points out that the agricultural industry is an important recipient of chemicals, including plant protection products and fertilisers, which directly impact human health and the state of the environment. The Green Deal is committed to the development of organic food production, which will consequently reduce the use of chemicals in the agricultural sector; in this regard, highlights the need to find innovative solutions as an opportunity for scientists to develop bio-based chemicals;

Support through regulatory measures

25. recalls the analysis of the European Environment Agency (EEA), which shows that sub-optimal implementation of EU environmental legislation is most often the result of ineffective

coordination between local, regional and national authorities. This is related to a lack of administrative capacity, insufficient funding, knowledge, data and compliance mechanisms, as well as a lack of policy integration; stresses, therefore, the need to close the gaps in existing policies and legislation, to ensure policy coherence and regulatory stability and to earmark funds for helping entrepreneurs adapt to new requirements and the training of administrative staff;

- 26. draws attention to the fact that the changes that are being implemented give regional and local authorities real legal means to be able to protect areas and their inhabitants from the risks associated with both the use of chemicals and the risks associated with the management of hazardous chemicals during the transformation of the chemicals sector;
- 27. it is necessary to review and strengthen the REACH and CLP regulations, as well as to simplify procedures; draws attention to the need for the European Commission to consult the national authorities responsible for implementing the REACH regulation before introducing new legislation. The new rules should complement existing law and make it more effective in its application and enforcement through established and well-functioning processes;
- 28. points to the need to tighten up the REACH regulation in terms of requirements for safe use of recovered substances placed on the market;
- 29. stresses the need to use a single instrument to coordinate public action. This will ensure access to an updated set of information about planned and ongoing initiatives relating to chemicals by authorities in all areas of legislation;

Strengthening oversight and enforcement of the rules

- 30. notes that Europe needs a strong and coordinated enforcement policy, particularly for imports, including through online sales, which account for the majority of cases of non-compliance with rules on substances in products;
- 31. points out the need to monitor and report legislative changes. On this basis, it is necessary to react, monitor and enforce compliance with them and take corrective actions;
- 32. stresses the need to strengthen monitoring and implementation of existing legislation. Consistent and simplified legislation covering the EU market will have an impact on a unified and coordinated policy of monitoring and enforcing it;
- 33. points out that the authorisation procedures provided for in the system should also apply to non-EU producers in the same way as European producers. The strategy should therefore focus on creating a level playing field for all stakeholders. This will allow a system to be created in which all businesses from both Member State and non-EU markets are equal before the law, thus ensuring the competitiveness and innovation of European businesses;

Innovation and competitiveness

- 34. stresses that the chemicals industry needs a transformation of its own production processes, in order to achieve climate neutrality by 2050. The energy transition in the industry will often involve radical modernisation or complete replacement of existing facilities, which may be problematic, while at the same time implementing innovation for safe and sustainable chemicals. However, the challenges of climate neutrality and innovative solutions can help preserve and improve the competitiveness of businesses;
- 35. draws attention to the need to protect the innovation and competitiveness of European businesses, in particular SMEs, as regards the protection of intellectual property. The actions to be taken should take into account the introduction of uniform principles and frameworks by the relevant authorities, e.g. by developing reliable regulatory conditions and ensuring the protection of commercially confidential information in their possession;
- 36. recommends that, when introducing changes relating to implementing the chemicals strategy, account should be taken of the time needed to adapt/convert facilities and manage hazardous chemicals that have been withdrawn from the EU market. Actions taken may affect downstream users of chemicals and their business models. In this context, implementation of European legislation should take into account the opinion of industry as a whole on the alternative possibility to replace withdrawn raw materials/products, and carry out an impact assessment involving regional and local authorities and communities;
- 37. believes that authorisation of substances under chemicals law should be better synchronised with investment and innovation cycles, especially for complex products, as well as with the length of time required for product and material approvals and plant authorisations;
- 38. stresses the importance of measures aiming to develop scientific knowledge on the presence of hazardous chemicals in the environment, including on land, in the air, in drinking water, flora and fauna and food, in terms of the sources of these substances and their impact on human health;

The substance flow chain

- 39. stresses the need to support the efforts of different sectors and businesses to substitute potentially hazardous substances by promoting research and development, investing in sustainable chemicals and technological innovation;
- 40. points to the need to disseminate and introduce new standards and certifications related to sustainable chemicals. The application of environmental criteria by regional and local authorities would influence the motivation to use, and promotion of, sustainable products;
- 41. supports the implementation of the concept of sustainability starting from the design stage of substances. Products made from sustainable substances should be fully recyclable so as to provide a safe raw material for further production; the manufacturing process is directly and inextricably linked to the process of product design and development. If a product's life cycle is taken into account already at the design stage, sustainable production will play a role that enhances the

- creation of sustainable products, reducing or eliminating negative impacts on the environment and society. The aim is for the chemicals industry to be low-emission, energy efficient, safe in terms of production and use as well as competitive, and for the challenges it faces to be achievable;
- 42. points out that the implementation of the chemicals strategy will depend to a large extent on achieving the objectives of the circular economy. Chemical recycling represents an opportunity for the chemicals sector as it helps reduce the environmental impact and leads to the discovery of innovative solutions for the use of recycled materials in products, as well as enabling the production of high-quality recyclable materials; stresses, therefore, the need for this area to be covered by a specific support scheme to encourage the use of recycled materials;
- 43. underlines the importance of the need to manage waste arising from the withdrawal of some substances/products from the EU market. This issue relates not only to financial issues, but also to environmental costs. On these issues, the EU should support both regional and local authorities as well as businesses upgrading their facilities or changing how they work, as well as investing in sustainable innovation that will clean up waste streams, increase recycling and reduce landfilling, particularly of plastics and textiles;

Assessment of chemicals and access to information on chemicals

- 44. stresses the importance of interregional cooperation in order to create a consistent policy for the promotion of safe chemicals and to increase the safety of their use and the promotion of circular production;
- 45. underlines the significance of product safety, in particular avoiding potentially hazardous substances and ensuring easy access to information on the chemical composition of a product throughout its entire life cycle;
- 46. in this regard, draws attention to the right to information in order to enable consumers to make informed choices; points out that this can be done by introducing effective information requirements and ensuring that the presence of hazardous substances can be traced from the point of manufacture of the product, including, inter alia, through the SCIP database maintained by ECHA, as well as the introduction of product passports;
- 47. stresses the need to create a fully connected and interdisciplinary EU database on chemical safety, to be set up by the European Chemicals Agency; these actions will ensure the establishment of a uniform and transparent approach to chemicals as well as to the risk assessment of chemicals. In addition, it will ensure that precise and unambiguous definitions and criteria are put in place, taking into account a good understanding of the use of chemicals and potential exposure, and based on sound and up-to-date scientific evidence;
- 48. assessment of the sustainability of a product must take into account the full life cycle and include the highest possible level of circularity, including resource efficiency, energy, water and land use, as well as reduction of greenhouse gas emissions and other pollutants. In addition, it should build on the methodologies for assessing product sustainability that European chemical companies have

already started to prepare; points out that this assessment can also be a primary source of information when making decisions on substitutions;

Bioeconomy

- 49. draws attention to the importance of cooperation between the industrial and agricultural sectors. The agricultural sector is an important source of information for the creation and use of bio-based substances, while particular attention should be paid to the potential of biomass as a raw material for chemical production; At the same time significant reduction of pesticides, insecticides and other agrochemicals in line with the goals set out in the farm to fork strategy is a key to preserve biodiversity and reduce environmental damages;
- 50. stresses the role of hydrogen in improving energy efficiency and developing innovation. Hydrogen technologies are a priority for achieving the European Green Deal and a key element in the transformation of the chemicals industry, and their deployment requires the development of coherent and simplified legislation and financial support;
- 51. recognises the potential of hydrogen, which can become a key element in the transformation of the chemicals industry, which is one of the most energy-intensive industries; stresses, however, that tapping into its potential requires financial support;

Ensuring skills

- 52. human capital is an important area in the implementation of the chemicals strategy; draws attention to the need to ensure continuity of staff in connection with the digital and green transitions, as well as with the transformation/redesign of the area. It is also important to provide the time for workers to be properly trained in chemical management. Upskilling and reskilling of workers is key to ensuring competitiveness;
- 53. welcomes the possibility of financial support from EU funds for the upskilling and reskilling of workers involved in the production and use of chemicals². These actions will create new economic opportunities while fostering social justice and resilience, especially in the most vulnerable regions, and will contribute to the achievement of the green transition;
- 54. points out that proper risk assessment, the prioritisation of measures, the search for safe and sustainable substances and materials and the discussion of advantages and disadvantages in any particular instance require very complex knowledge, specialist expertise and investment of time on the part of companies and authorities, and that there is a constant need for information, advice and further training;

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Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions *Chemicals Strategy for Sustainability - Towards a Toxic-Free Environment*.

Support through financial resources

- 55. calls for the creation of a budgetary framework that ensures a level playing field for the transformation of industry towards safe and sustainable chemicals and materials, encouraging behavioural change while ensuring competitiveness on the European and global markets. These actions aim to ensure a sustainable transition capable of supporting social and economic cohesion;
- 56. in the context of the COVID-19 crisis, which has had a noticeable impact on the finances and functioning of local and regional authorities, calls on the European Union to provide direct access to funding for projects supporting sustainable chemicals. The EU should also provide additional support to regions in transition;
- 57. stresses the need to provide legal and financial instruments to promote and support, at local and regional level, innovative solutions that contribute to the emergence of a new generation of chemicals and the green transition of the chemical industry;
- 58. supports a dedicated fund for EU-wide human and environmental (bio)monitoring as part of the Horizon Europe programme.

II. PROCEDURE

Title	Safe and sustainable chemicals for a toxic-free
	environment in Europe's cities and regions
Reference document	Chemicals Strategy for Sustainability – Towards a Toxic-
	Free Environment, COM/2020/667 final
Legal basis	Own-initiative opinion
Procedural basis	Art. 41(b)(i) of the Rules of Procedure
Date of Commission letter	15 October 2020
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Commission responsible	Commission for the Environment, Climate Change and
	Energy (ENVE)
Rapporteur	Adam Struzik (PL/EPP), President of Mazovia Region
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Previous Committee opinions	
Date of subsidiarity monitoring	
consultation	