

Editorial

Trade unions want a more ambitious REACH

The European Trade Union Confederation (ETUC) called a major conference on the 11th and 12th of March on the REACH proposal to overhaul European chemicals legislation. The conference was both part of the wider agenda set by the ETUC's declarations¹, and constructive input by European workers to the development of the future European regulation. It gave the main stakeholders an opportunity to trade views, and be informed by a very wide range of positions.

Nearly 200 people attended the two-day discussions – a hundred-plus delegates from ETUC member organizations, along with many invited guests, including European Commission and Member State officials, MEPs, and representatives from industry, consumer groups and leading environmental lobbies.

The single concerted message that the ETUC and its members aimed to get over at the conference is crystal clear: European workers back the reform, but want specific provisions put back in or tightened up.

This special report on our conference proceedings starts with a review of the messages brought by our invited guests: Stavros Dimas, the European Environment Commissioner, Guido Sacconi, lead rapporteur on REACH for the European Parliament, Lucien Lux, Minister of State of the Grand Duchy of Luxembourg, representing the Council presidency, Jean-Paul Mingasson for UNICE, and John Hontelez for the European Environmental Bureau (EEB).

John Monks
General Secretary, ETUC



The first section, on the impacts of REACH, looks at the findings of the further impact assessment studies done by the chemical industry, and those of a study commissioned from the University of Sheffield showing that the economic benefit of REACH for European workers' health could outweigh its total implementation cost.

In parts two and three, papers given by a series of experts first set REACH in its European industrial policy context to inform the linkages with innovation and competitiveness, and go on to explore possible ways to achieve a smooth implementation of the reform.

The conclusions spell out and argue the case for the ETUC's proposals for improving the text adopted by the Commission in October 2003. The product of extensive discussions and dialogue between all ETUC member federations and confederations, the workers' proposals aim to optimize the expected cost/benefit ratio, especially the outcomes for workers' health and safety.

¹ Declarations on REACH adopted by the ETUC Executive Committees of 17-18 March and 1 December 2004. Published in the brochure *REACHing the workplace* and downloadable from www.etui-rehs.org/hesa > Main topics > Chemicals.



Since last March's conference, other sources have further informed the REACH debate: a KPMG impact assessment study published in May showed that the costs of REACH are easily manageable, while the outcomes of the SPORT exercise showed the reform was workable in practice.

This latest information strengthens the ETUC's case for the co-decision procedure to move forward, and for the European chemicals legislation reform to be adopted without delay.

European trade unions call on the European Parliament and Council to take their proposed improvements and resulting amendments into account.

The ETUC will continue tracking the REACH process, and seek to leverage it as a full part of the construction of a socially responsible Europe committed to developing a dynamic labour market with a plentiful supply of good quality jobs. ■

John Monks,
General Secretary, ETUC

IN THIS ISSUE

EDITORIAL

- 2** Trade unions want a more ambitious REACH,
John Monks

INTRODUCTION

- 4** REACH: getting the balance right between competitiveness and health,
Denis Grégoire

REACH: ECONOMIC IMPACTS AND WORKERS' HEALTH

- 8** Trade union view on supplementary economic impact studies,
Marc Sapir

- 12** The impact of REACH on future skin and respiratory diseases,
Simon Pickvance

- 15** REACH and worker protection legislation,
Tony Musu and Henning Wriedt

REACH AND THE INDUSTRIAL DYNAMIC

- 20** REACH, lever for a sustainable chemical industry: on what basis and how?,
Bernard Bordes, Fabrizio Giacalone, Patrick Roturier

- 27** A proactive sustainable development policy: a REACH label,
Mourad Attarça

- 28** Environmental regulation, innovation and competitiveness - making the link,
Michael Warhurst

REACH AND THE OTHER EUROPEAN POLICIES

- 34** Research and REACH,
Dominique Olivier

- 36** Proactive application of REACH through social dialogue and voluntary agreements,
Giuseppe D'Ercole

CONCLUSIONS

- 39** The ETUC's proposals for improving REACH



- 45** Looking ahead,
Joël Decaillon

Introduction

The European Trade Union Confederation brought together some 200 experts, trade union leaders and European politicians in Brussels on 11 and 12 March 2005 to assess the overhaul of European chemicals legislation currently under way. It was an opportunity to clarify the positions of the many players involved in the highly complex and controversial REACH issue.

REACH: getting the balance right between competitiveness and health

"We back REACH, but are still looking for improvements to the present proposal," said **John Monks**, General Secretary of the European Trade Union Confederation (ETUC), opening the two-day debate held last March on European chemicals legislation reform. The trade union leader cited the stark tragedy of asbestos that typified the risks faced by millions of workers who have to handle substances that can have devastating health consequences. The risks are particularly high for chemical industry workers and those employed by downstream user industries.

"One in three occupational diseases is due to exposure to chemicals", claims the ETUC's research institute (ETUI-REHS) from its examination of a Eurostat survey. John Monks puts this alarming figure down to "the lack of knowledge and information about chemicals, and the manifest unwillingness of some industry employers to improve their employees' working conditions". The ETUC leader said that REACH is an opportunity for employers to improve the industry's image and promote innovation.

Stavros Dimas
European Commissioner
for the Environment



Three million working days lost each year

The EU's Environment Commissioner, **Stavros Dimas**, also believes that REACH should open up a new chapter in Europe's industrial history by "bridging a knowledge gap". A lack of information that can have tragic consequences, as the Greek Commissioner pointed out, citing the Ardystil case, the Spanish firm where the incorrect use of a chemical in 1992 led to six workers dying of lung disease.

If REACH had already been in place at the time, this tragedy could have been avoided, because information on how to use the product would have been available, said Mr Dimas. "Those parts of industry that still have doubts on REACH need to think about the money they would have saved if sick workers continued to be fit and able to work", added the Commissioner, going on to recall the high social costs incurred by chemicals: "Three million working days are lost in the EU due to occupational skin diseases caused by chemicals". In his speech, Commissioner Dimas also cited a study by the Commission's research centre, which put the cost of dredging and cleaning up contaminated soil in the EU at more than €7.5 billion in the next ten years. If these chemicals had been treated under REACH, these high costs could have been avoided, he said.

Recent scares about some consumer goods that have rocked European public opinion have done untold damage to brands and the industry, went on Stavros Dimas. REACH will allow safer substances to be launched on the market, create new market opportunities, stimulate growth and create jobs, while respecting the environment and health, he argued. In short, the EU policymaker said, REACH is in line with the Commission's re-launch of the Lisbon strategy. And he gave this reassurance about the future of the chemicals legislation reform: "There has been speculation that the Commission is planning to withdraw the proposal. This speculation is unfounded!"

Employers say “yes, but...”

Jean-Paul Mingasson
General Adviser to UNICE



Jean-Paul Mingasson, General Adviser with the Union of Industries of the European Community (UNICE), offered reassurance on European employers' attitude to REACH. “UNICE supports REACH”, he said. But while the European employers' organisation seemingly backed the principle and aims of the reform, it nevertheless felt that changes were needed to the current text, which “poses some major problems”.

UNICE believes the reform will be too bureaucratic and costly. “Tens of thousands of chemicals will have to be evaluated in too short a time, when the chemical industry cannot manage to evaluate more than 100 substances a year at present”, said Jean-Paul Mingasson. UNICE is also unhappy that the reform “will force businesses to compile a large amount of useless information on the use of substances that are not hazardous”, and argues that there is no linkage between the European proposal and the international programmes and strategies developed by the OECD and UN (Johannesburg Summit).

UNICE is particularly concerned about how REACH will affect SMEs, and claims that the costs of implementation could undermine their profitability and be an obstacle to innovation.

Environmental organisations see things very differently. The European Environmental Bureau (EEB) argues that the current text does not give workers and consumers enough protection.

“The substitution principle must be made mandatory”, argued **John Hontelez**. The EEB Secretary General also pointed to the wide information gap between substances produced or imported in large volumes and those of less than ten tonnes. “The information required on small quantities is not enough for them to be classified properly. This is a major failing of the current text”, he said.

The environmental lobby representative also pressed for the information supplied by industry to come under independent scrutiny, to be as full for imported substances as for those produced in Europe, and for risk information to be published throughout the supply chain, right down to the final consumer.

“We must find a compromise!”

Such a barrage of wide-ranging criticism means that the Commission text, already heavily watered down in a concession to employers, is likely to undergo further overhaul. This prospect was confirmed by MEP **Guido Sacconi** (socialist group), the European Parliament's principal rapporteur on REACH. “I believe that the final version of the Commission proposal strikes an acceptable balance between environmental, social and competitiveness aspects, but it could still do with being strengthened and improved”, the Italian MEP told the conference. He said that in working towards that improved balance, he had taken account of the ETUC's positions, citing a series of proposed amendments that would tighten up the vigilance requirements and ensure authorization procedures more favourable to the substitution principle.

“We must find a compromise!” he went on to say, comparing his role as rapporteur to that of a traffic policeman. “My experience as a trade unionist - I come from the union movement - has taught me that compromises emerge when they are ready, i.e., when all

John Hontelez
EEB Secretary General



Guido Sacconi
European Parliament's principal
rapporteur on REACH



Lucien Lux
Luxembourg's Environment
Minister



the interested parties are willing to give up at least a little ground", he added, going on to express his belief that Parliament would be overwhelmingly in favour of this middle way approach.

Arguing that REACH was an opportunity to combine economic growth with quality of life, the Italian MEP concluded that, "Europe will either have quality growth or none".

That combination of growth and quality of employment was also central to the speech given by Luxembourg's Environment Minister, **Lucien Lux**.

"I firmly believe that only a future European industry based on the development and use of chemicals that protect the environment as well as workers and consumers' health will deliver a long-term sustainable industry, which will obviously contribute to the fight against unemployment", said the Minister, who holds the presidency of the EU's Environment Council for the first half of 2005.

Reviewing the work of the ad hoc working group on REACH set up to help the Council hammer out a common position, Lucien Lux said the ultimate aim was to eliminate and progressively replace dangerous substances and preparations in the belief that it "will encourage innovation and research into substitutes by producers of these particularly worrying substances".

The proposal is now back with the European Parliament and Council for agreement on a final "new look" version - probably by 2007. The key issue is which way the final balance will tip: towards the chemical industry's immediate interests or, with more far-reaching consequences for the community, workers and consumers' health?

Denis Grégoire, ETUI-REHS