

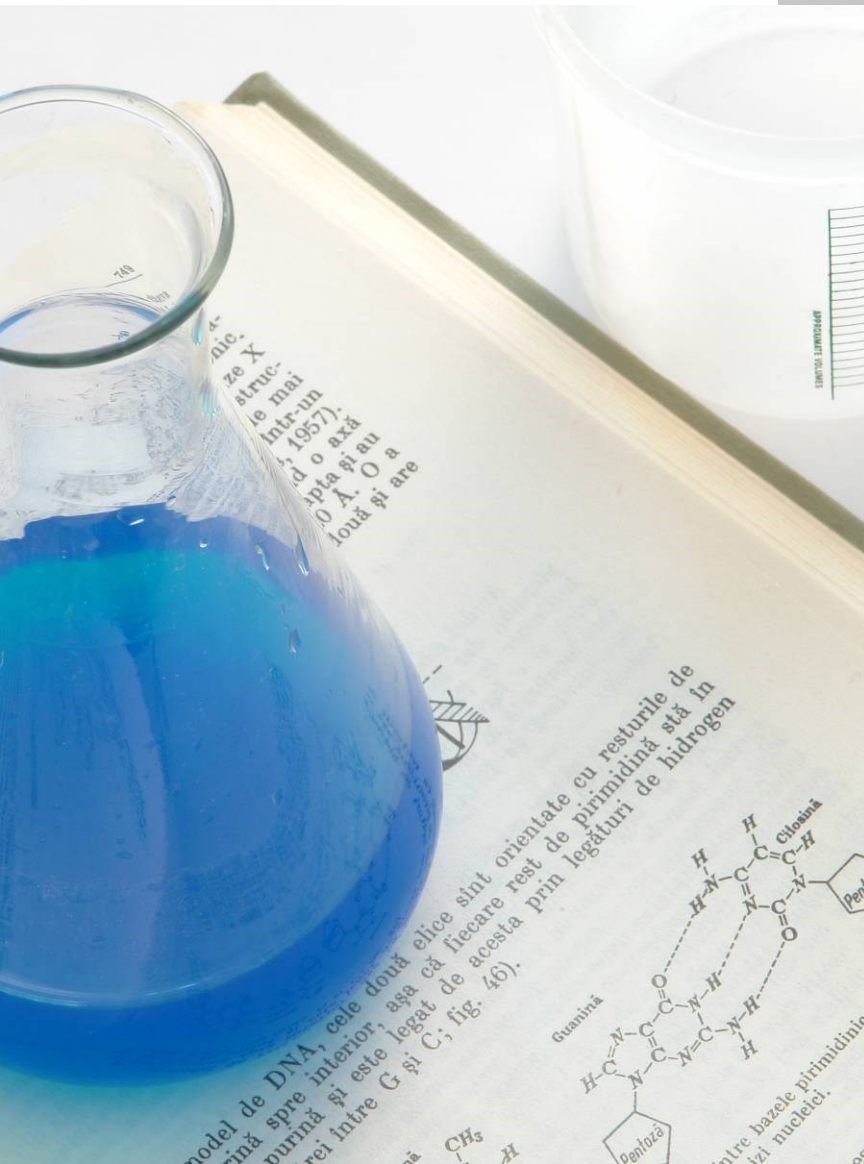


European
Commission

Chemicals in TTIP – What is under discussion? What will it mean for REACH?

REACH Information and Experience
Exchange Forum (RIEF IV)
19 June 2015

Klaus Berend
Head of Unit D1 - REACH
Directorate-General for Internal Market,
Industry, Entrepreneurship and SMEs
European Commission



EU & US – top trading partners

- World's largest trade market
 - 50% of world GDP and 1/3 of world trade
 - €1.8 billion/day and €723 billion/year of goods and services traded
 - EU had trade in goods surplus of €92bn with US in 2013
- 15 million transatlantic jobs
- €2,4 trillion of mutual investment stocks

However, relative importance is in decline

EU-US top 5 imports/exports by trade category(2013)

Top 5 - SITC sections

Product	Value (Mio €)	Share (%)	Product	Value (Mio €)	Share (%)
7 Machinery and transport equipment	74,406	38.0	7 Machinery and transport equipment	122,750	42.6
5 Chemicals and related prod, n.e.s.	43,467	22.2	5 Chemicals and related prod, n.e.s.	62,107	21.6
8 Miscellaneous manufactured articles	25,031	12.8	8 Miscellaneous manufactured articles	35,745	12.4
3 Mineral fuels, lubricants and related materials	18,933	9.7	6 Manufactured goods classified chiefly by material	27,428	9.5
6 Manufactured goods classified chiefly by material	12,736	6.5	3 Mineral fuels, lubricants and related materials	17,331	6.0

Full data available via <http://ec.europa.eu/trade/policy/countries-and-regions/countries/united-states>

What could TTIP achieve?

- Increased trade
 - EU exports to US up by 28% (€187 bn)
 - Total EU exports up €220 bn (3rd countries included)
- Significant economic gains both EU & US:
 - 0,5 % increase in EU GDP by 2027
 - €68-119bn (EU), €50-95bn (US)
 - Rest of the world: GDP increase €100 bn
- €545 extra disposable income per families by 2027
- Labour market: higher overall wages, new job opportunities
- Consumers: more choice, lower prices

What are we negotiating?

EU objectives for the negotiations:

Three main elements – single undertaking

- **Market access:** tariffs, rules of origin, services, public procurement, investment
- **Regulatory and non-tariff barriers:** better cooperation
- **Trade rules** addressing shared global challenges, e.g. sustainable development, IPR, energy and raw materials, small business, state-owned enterprises

Regulatory Cluster

Better EU-US cooperation could save time for business and workers, costs for consumers

Horizontal Issues

EU interest: better consultation between regulators

Sectors

Common interest: Specific cooperation in key sectors such as cars, pharmaceuticals, cosmetics, medical devices, chemicals and financial services

Three fundamental points

- TTIP will not lower standards protecting people (workers, consumers, health, safety) or the environment
- The EU and the US will maintain their respective rights to regulate in future to reach high(er) levels of protection
- TTIP will not impose one system on the other

Chemicals in TTIP

Initial Position of the EU developed on the basis of:

- Past experience in co-operation with the US in various forms (OECD, UN, Bilateral,)
- Analysis of the basic requirements of EU and US framework legislation (REACH and TSCA)
- Joint Proposals from CEFIC and ACC in a public consultation
- Fundamental principle for chemicals: no lowering of level of protection for human health and the environment as established by REACH

Initial EU Position for Chemicals in TTIP

- Mutual recognition or harmonisation are **not** feasible
- Regulatory co-operation possibilities to be found **within** the existing legal frameworks:
 - Prioritisation of chemicals for assessment and assessment methodologies
 - Promoting alignment in classification and labelling of chemicals
 - New and emerging issues
 - Enhanced information sharing while protecting confidential business information (CBI)
- Both sides to maintain intact their 'right to regulate'

Text available at: http://trade.ec.europa.eu/doclib/docs/2014/may/tradoc_152468.pdf

Status of negotiations for chemicals

- US agreed to start discussions based on the EU proposals
- Extensive exchange of information on relevant processes and procedures concerned
- Retrospective analysis of what worked and what has not worked in earlier or ongoing cooperation attempts
- EU put forward two further papers (agreed with Member States)
- US proposed to test some of the EU's ideas in pilot projects

Further EU papers on chemicals (1)

- Draft outline for provisions in a possible Chemicals Annex
 - Not yet a legal text – will evolve in the negotiations
 - Contains proposals for:
 - Objectives
 - Principles (in particular: no obligation to stop or suspend a process)
 - Fields of cooperation (in line with 1st position paper)
 - Possibly: Chemicals Working Group to oversee implementation

Text available at:

http://trade.ec.europa.eu/doclib/docs/2014/november/tradoc_152912.pdf

Further EU papers on chemicals (2)

- Proposals for 'How to put co-operation into practice'
 - Detailed descriptions of processes under the REACH and CLP Regulations:
 - Updates of CoRAP
 - Harmonised classification & labelling
 - Nomination of SVHC for candidate list
 - Prioritisation of SVHC for inclusion into Annex XIV
 - Restriction process
 - Authorisation process
 - Identification of possibilities for interaction within the existing processes and timelines

Text available at:

http://trade.ec.europa.eu/doclib/docs/2014/november/tradoc_152913.pdf

Pilot Projects on Chemicals in TTIP (1)

Assessment of Priority Chemicals

- Exchange of EPA Work Plan Update and draft CoRAP Update (2015-2017): overlap for 17 substances
- Four Member States volunteered to participate in pilot projects for substances to be evaluated in 2015
- No match with activities of EPA in 2015, who proposed five other substances – again, four EU Member States concerned agreed to get involved with the EPA.
- Related work is ongoing or expected to start soon.

Pilot Projects on Chemicals in TTIP (2)

Alignment in Classification & Labelling

- On the US side this involves Occupational Health and Safety Administration (OSHA) and the National Toxicology Program (NTP - Updates to the Report on Carcinogens)
- Clarification of processes and possibilities for interaction in the EU and US
- Exchange of lists of substances with ongoing or forthcoming classification proposals/reviews
- NTP expressed interest in EU proposal concerning anthraquinone and was invited to participate in public consultation – no comments submitted as NTP found the proposal was well-constructed and made appropriate use of the existing NTP Technical Report and IARC monograph
- For the EU, the NTP activities related to cobalt and cobalt compounds could be of interest. NL is preparing a CLH proposal under CLP which is listed in ECHA's Registry of Intent. Topic for discussion: range of substances covered.

Pilot Projects on Chemicals in TTIP (3)

Comparison of content of safety data sheets

- New proposal at the 8th negotiation round – in order to explore scope for harmonisation
- OSHA is expected to prepare a first analysis
- Will then be reviewed by EU

Stakeholder participation

- Democratic scrutiny and public debate strongly encouraged
- During negotiations: public consultations, civil society dialogue, Sustainability Impact Assessment, TTIP advisory group, Council (Member States) and European Parliament (INTA)
- After negotiations: public debate on final text, European Parliament ratification, ongoing civil society monitoring via EESC
- Stay informed
 - ✓ Commission's TTIP dedicated website
<http://ec.europa.eu/trade/policy/in-focus/ttip/>
 - ✓ Follow on Twitter [@EU TTIP team](https://twitter.com/EU_TTIP_team)

For further information please visit:

TTIP:

<http://ec.europa.eu/trade/policy/in-focus/ttip/>

REACH:

http://ec.europa.eu/enterprise/reach/index_en.htm

<http://ec.europa.eu/comm/environment/chemicals/reach.htm>

<http://echa.europa.eu>



European
Commission

Thank you

Any questions?

Disclaimer

All views expressed are purely personal and should not be considered as representative of the European Commission's official position. Neither the European Commission nor any person acting on behalf of the Commission is responsible for the use which might be made of the following information.