

Commissioner Thierry Breton European Commission Rue de la Loi / Wetstraat 200 1049 Brussels

Follow up to our recent meeting on boosting the green transition of the EU's industry and upholding environmental and health safeguards

11 April 2023

Dear Commissioner Breton,

Thank you for the fruitful exchange on key topics for the future of Europe's industry, environment and health protection with the Green 10, the coalition of ten of the largest environmental organisations and networks active on the European level.

We appreciated our shared interest in fostering an EU industry which is both sustainable and generates employment, in view of the many challenges that not only industry but also people in Europe are facing. With the accelerating climate and biodiversity crises, it is clear that the EU's industry in 2050 cannot and will not be one based on fossil fuels.

Your leadership over the next months is crucial in setting the path for building the clean, sustainable, health promoting industry of tomorrow.

In this process, the EU is not starting from scratch. The EU's framework of strong regulatory instruments (with environmental and health safeguards) combined with dedicated financing instruments (e.g. the EU Innovation Fund under the EU ETS) has been a success, and has catalysed innovation in many sectors.

It is exactly this combination of regulatory certainty and financial incentives which makes the EU attractive for investors – now and in the future.

At the same time, there is a clear need for speeding up – speeding up the green transformation of Europe's industry, as well as speeding up and strengthening environmental and health protection.



## REACH: kickstarting the revision of the EU chemicals regulatory framework by June 2023

The EU REACH regulation is a landmark instrument to ensure better protection against hazardous chemicals and has made the EU a global leader on chemicals management.

The reform of this key law is urgently needed to accelerate the transition of the EU chemicals industry for 2040 and 2050, and catalyse innovation, by supporting frontrunners and increasing predictability for industry. At the recent High-Level Roundtable on the EU Chemicals Strategy there was a broad and strong consensus that the Commission should launch the REACH revision by June 2023.

In addition, the REACH reform makes health economic sense and is backed by investors. The body of evidence on the health impacts and cost of hazardous chemicals keeps growing, including for endocrine disrupting chemicals, which likely cost the EU €163 billion a year in actual health care expenses and lost earning potential, while for PFAS – the forever chemicals – the health burden amounts to between €52 and €84 billion annually. Recently the Investor Initiative on Hazardous Chemicals, a coalition of 50 investors managing \$8 trillion in assets, called for manufacturers to increase transparency and end the production of PFAS.

It is key that the Commission launches the proposal to revise REACH no later than June 2023, in order for the legislative deliberations to advance before the EU elections. People across Europe expect their governments to better protect health, and want to see toxic-free products by 2030.

We urge you to submit the proposal to interservice consultation now, to launch the proposal by June this year in time for the June environment council as the Swedish Council presidency had confirmed interest in discussing the proposal at this meeting.

As demonstrated by the study 'Waiting for REACH: The negative impacts of delaying reform of EU chemical laws', published by the EEB and CHEM Trust, the consequence of this delay is important: after June 2023, the current Parliament would have no chance to finish its first reading before the elections in 2024, significantly delaying the REACH revision even further, damaging the Green Deal and creating huge uncertainties about the direction for the EU chemicals industry, just at a time when clarity is needed most to ensuring the long term viability of the EU industry, currently being undermined by geopolitical stress.



## **Net Zero Industry and Critical Raw Materials Acts**

We support the goal of boosting European manufacturing of clean, sustainable technologies in order to accelerate the green transition, under a framework combining a strong regulatory approach with dedicated financial incentives.

However, for both instruments, the Commission has to set clear conditions to respect climate, wider environmental, and social objectives (e.g. mandatory environmental impact assessments).

We are strongly opposed to any undermining or weakening of key provisions on nature protection and public participation, of environmental and health protective safeguards. The EU's environmental acquis is part of the EU's strength as a region and model, and participation is key to safeguard democracy in these times of rising authoritarianism.

The net zero industry act needs to clearly prioritise real green technologies, including battery cells, cell components, renewables (solar PV, solar thermal, wind power, heat pump, grid technologies and energy storage), over wasteful and largely unproven, unsafe technologies such as CCS.

While we support the goal of Europe becoming more self-sufficient in the Critical Raw Materials Act, we see an urgent need to uphold and respect human rights in the EU and third countries, and to accelerate the transition to a circular economy in order to end the wasteful misuse of resources by European industry. Particular attention should be paid to indigenous rights in the EU and third countries as half of the world's energy transition minerals (strategic minerals) are within or next to indigenous lands.

We look forward to continuing our exchange with you on these issues, which are crucial not only for Europe's industry, but more broadly for people's well-being and for the protection of ecosystems that fundamentally sustain all life on Earth.

Yours sincerely,

William Todts, Executive Director, Transport and Environment (T&E) on behalf of the Green10