

Commissioner Virginijus Sinkevičius
Commissioner for Environment, Oceans and Fisheries
European Commission
Rue de la Loi 200
1040 Bruxelles, Belgium

Brussels, 24 June 2021

Re: New approach to chemicals management and the Chemicals Strategy for Sustainability

Dear Commissioner Sinkevičius,

I am writing to you on behalf of the Cobalt Institute, the global representative body for the cobalt value chain, to request a meeting with you to discuss the 'essential use' concept proposed in the Chemicals Strategy for Sustainability and its potential impact on research and innovation, and the EU's ability to attain its sustainability and industrial objectives.

The Cobalt Institute recognises efforts are being made to speed up the classification and risk management of substances but notes this should not be at the expense of robust and rigorous assessments, the lack of which could lead to unintended consequences. We are eager to continue engaging with the Commission in its efforts to protect citizens and the environment while boosting innovation for safe and sustainable chemicals.

Equally, we share the Commission's commitment to move towards a circular and sustainable economy and highlight the crucial role that cobalt will play in achieving these ambitious goals. Cobalt's unique properties make it a critical component in the energy transition, from electric mobility to load balancing renewable electricity through energy storage.

With the criticality of cobalt in mind, we would like to raise some concerns about the Chemicals Strategy for Sustainability and the proposed 'essential use' concept.

We are concerned that the proposals would not bring added value to the existing chemicals management regulatory framework and would inevitably become an additional layer of regulatory complexity, and the uncertainty caused by the essential use concept would hinder the European Union in achieving its sustainability goals.

In particular, we would ask:

- Why is there a need to change the current system?
- What will be the socio-economic impact of applying generic risk management procedures and an essential use derogation?
- Has any assessment been made of the unintended consequences for essential substances – for example on disincentivising investment?
- How will the Commission avoid the loss of industries that are not essential now, but will be in the future?

Depending on how the EUC is defined and applied, we believe it could have negative impacts, such as preventing society from benefitting from valuable technologies and products which rely on substances labelled as non-essential, hindering innovation, or having a domino effect. Indeed, industries are interconnected, and it may be hard to fully measure the impact of banning non-essential use substances. Moreover, the critical industries of today may not be the critical industries of tomorrow, and the technologies and substances required in the future may not be identified as essential today.

We would like to have the opportunity to discuss with you how the metals industry can contribute to protecting citizens and the environment and achieving the EU's sustainability goals. I will ask my office to contact yours and see if such a meeting would be possible.

Sincerely,

[Redacted signature]

[Redacted name]

Cobalt Institute

