

Comments of the Volvo Group on the Annex XV restriction report related to the Restriction on the manufacture, placing on the market and use of PFASs

The Volvo Group wishes to provide comments on the consultation on the Annex XV restriction report related to the Restriction on the manufacture, placing on the market and use of PFASs.

Introduction:

The Volvo Group manufactures trucks, buses, construction equipment and power solutions for marine and industrial applications. Volvo Group also have a high pace in the transformation with a rapid expansion of the offer of electric vehicles and machines. The Volvo Group products often operate under harsh conditions and some of the materials and substances used in the Volvo Group's products are potentially hazardous and cannot today be substituted to achieve the high quality and safety demands. The Group works to reduce its dependency on such materials and substances with the aim to protect both people and the environment. In collaboration with partners, the Volvo Group proactively evaluates alternatives in the design and supply processes to minimize and eliminate use of substances of concern.

The intention to reduce the risks of long living and toxic per- and polyfluoroalkyl substances (PFASs) is therefore in line with Volvo Group ambitions. At the same time, the Volvo Group is concerned by both the timeline and the scope of the PFAS restriction as proposed. Many applications in Volvo Group's current and future products, like e.g. batteries, fuel cells, refrigerants, sealings, and internal combustion engines, are today dependent on PFASs (mainly fluoropolymers) to provide crucial functions like durability, heat- and corrosion resistance, and chemical stability in order to secure safe products with a long operating lifetime.

The Volvo Group main concerns with the proposed PFAS-restriction:

- **A very short timeline for phase-out and absence of proper derogations:** The development cycles of our products are long and re-design requires sufficient time for verification and validation to secure high quality and safe products.
- The vast majority of the PFAS occurrences in our products would, to our understanding, not fall under any derogation according to the proposal. This would mean that most of our applications would need to be redeveloped, verified, validated and implemented on all our products in production from 2026/2027. For the reasons explained above, this will not be possible. The time

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to develop alternatives is unforeseeable in various applications where the technology transition has not started yet. Even when an alternative material/part exists, it is not always possible to know beforehand how long the redevelopment and validation will take. Our experience from phasing out hazardous substances from complex engine parts, shows that this could take many years. The change of some parts could as well trigger the need for recertification towards emission legislations and safety type approvals.

- **Retroactive application to produced products:** We understand that the proposed restriction will apply as well to already produced products. This could mean that PFAS containing products could not be resold but would need to be scrapped. It would also jeopardize our remanufacturing business and our circularity ambitions. This can surely not be the intention of the proposal.
- **The assumed awareness of PFAS existence in our supply chain:** Traceability of most of the PFASs in scope of the proposal has not previously been required by any regulation. PFAS occurrences are therefore still to a large extent be unknown. It takes time to retrieve such detailed information through long and complex supply chains like ours.
- **The assumed availability of substitution (less hazardous alternatives with equal function):** The maturity of alternative solutions to the use of PFAS is currently poorly understood within our sectors. Our suppliers are still investigating PFAS occurrences and alternative materials in parts they deliver to us and are not able to give us a timeline for phase-out.
- **A clear risk of regrettable substitution:** A switch to alternative solutions without proper investigations also comes with the risk of regrettable substitution from a broader sustainability perspective which needs to be avoided. Unfortunately, our investigations show that some of the PFAS (a minor part) used in our products was introduced through our work to phase out Chromium (VI).

In summary, a transition time of 18 months is not sufficient to phase out substances from our complex products with the required validations and verifications. If the draft regulatory text as proposed become final, we would not be able to place trucks, buses, construction equipment and marine- and industrial power trains on the European market from 2026/2027. We therefore request a derogation for:

Applications affecting the proper functioning related to the safety and reliability of transport vehicles, machinery, and marine power train systems, and affecting the safety of humans or reliability of equipment until 13.5 years after entry into force.

Volvo Group will update our response with technical and socio-economic information before the consultation deadline.