

Mr Thierry Breton
Commissioner for the Internal Market
European Commission
Rue de la Loi 200
1049 Brussels
Belgium

Brussels, 18 July 2023

Dear Commissioner Breton,

On behalf of the American Chamber of Commerce to the EU (AmCham EU), I am writing to express our views and recommendations on the per- and polyfluoroalkyl substances (PFAS) restriction proposal currently under discussion at the European Chemicals Agency (ECHA).

Protecting human health and the environment is a vital goal, and across the broad PFAS group, certain substances should be registered to achieve this aim. However, the current proposal is overly broad and would ban 10,000 substances, which could have severe negative impacts on a wide variety of sectors, weakening the attractiveness of Europe and EU-US cooperation, in particular the Trade and Technology Council (TTC).

Some compounds included in the restriction's scope, such as fluoropolymers and fluorinated gases, provide essential advantages in terms of performance, reliability and/or safety and unique capabilities for batteries, semiconductors, electric vehicles, renewable energy, hydrogen, heat pumps and insulation materials, among many others. By hindering the manufacture and use of these products, the PFAS restriction proposal would jeopardise transatlantic coordination in building sovereignty and autonomy under the TTC, which is based on cooperation and building a strong industrial basis on key technologies which are strategic for our sovereignty and autonomy.

Moreover, the restriction proposal and the uncertainty it creates could stifle reindustrialisation and the continuation and future development of existing value chains in Europe, drastically impacting trade with the US and investments into the European economy from American companies. US businesses could be discouraged from investing in new factories and production units in Europe due to the pending risk of a ban on the production, use and sale of their products in such a short time frame.

To avoid these outcomes, the Commission should consider excluding from the restriction proposal's scope industrial and professional applications that are crucial for cooperation under the TTC, namely for batteries, semiconductors and chips, heat pumps, electric vehicles, hydrogen, renewable energy and their supply chains. Moreover, for those sectors where alternatives might exist, the Commission should allow new and longer derogations that enable the industry to adapt or ensure the exclusion of some uses where alternatives are only at the research and development stage or not suitable in their current form. Finally, we request that the Commission assess the socio-economic impact that the restriction would have not only on specific applications as is currently undertaken by ECHA's Committee for Socio-Economic Analysis but also on transatlantic trade and foreign long-term investments. Not taking these into account will have strong repercussions on the EU and US strategic autonomy, as well as the EU's attractiveness for the American business.

AmCham EU remains at your disposal for any further information and would welcome the opportunity to discuss the issue further.

Yours sincerely,



AmCham EU