



ATC Position on the Essential Uses Concept in the Context of the EU Chemical Strategy for Sustainability

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ATC POSITION PAPER

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1. Introduction

The Technical Committee of Petroleum Additive Manufacturers in Europe (ATC) was established in 1974 for member companies to discuss topics of a technical and statutory nature which are a concern to our industry.

ATC works to develop common industry approaches in response to health, safety and regulatory legislation which are based on scientific and technical principles, to the benefit of end consumers and environmental protection. ATC provides its members with a platform to build and share high-level technical expertise and to cooperate with relevant stakeholders active in the development of petroleum additive specifications and testing.

The ATC embraces the spirit of the EU Green Deal and the EU Chemical Strategy for Sustainability (CSS). Indeed, we fully recognise that industry has a role to play in tackling the societal and environmental challenges we face and in achieving the objectives set out by the EU Commission.

That said, we also believe that regulatory actions should be taken following a holistic approach, balancing the several trade-offs at play and considering the interdependencies that characterise a complex society. For example, a restriction or ban of a chemical based on hazard properties alone could lead to the adoption of a different process/product that may result in even more severe environmental/health impacts and potential sustainability deficits, when the whole life-cycle of the chemical is taken into account.

2. EU Chemical Strategy for Sustainability (CSS)

The CSS, published on 14 October 2020, lays out more than 50 wide-ranging regulatory and other initiatives that will impact all sectors of industry. While the Strategy recognises the fundamental role of chemicals for human well-being and for the green transition of the European economy and society, it also seeks to address perceived health and environmental challenges posed by the most hazardous chemicals.

The initiatives are very wide ranging and, as well as including new hazard classification criteria for a number of parameters, the CSS also indicates the Commission intention to depart from the principle of allowing the presence of hazardous chemicals on the EU market based on the actual risks they pose to human health and the environment, to a system of Restrictions based solely on intrinsic hazard properties (the so-called “*generic approach to risk management*”).

The CSS also introduces some new concepts such as the Mixture Assessment Factor, Safe and Sustainable by Design and Essential Uses. It is on the latter concept that ATC has prepared this position paper.

3. The Essential Uses concept

The CSS seeks to achieve protection of the environment, consumers and vulnerable groups by intensifying efforts to remove chemicals of concern from the market and allow their use only when proven to be “essential for society”. This is the Essential Uses concept that the CSS introduces and would allow the continued use of such substances of concern, only when necessary for health, safety or for the functioning of society and if there are no suitable alternatives that are acceptable from a health & safety perspective.

4. General concerns of the Lubricant and Fuels Additives industry

A further shift towards a hazard-based approach in managing chemicals (described as the “*generic approach to risk management*” in the CSS) would not be scientifically sound nor would it comply with the proportionality principle enshrined in EU law. Furthermore, hazardous substances should not be restricted or banned when the societal benefits outweigh risks and there are no technically/economically viable alternatives, or the use is considered “essential” to society. Restrictions and bans in these circumstances, as well as being disproportionate, would also make the European industry less competitive. In addition, wide scope bans or restrictions of groups of chemically related substances will be particularly damaging to certain economic sectors, especially in applications where strict performance and safety requirements exist and substitution options are limited or non-existent.

Establishing what constitutes an Essential vs a Non-Essential Use will be hugely complex, subjective and likely to vary over time. Industry seeks predictability and stability via transparent, science/risk-based decision making that will be subject to challenge and periodic review.

An acceleration of substitution of hazardous chemical substances purely on the basis of perceived “non-essentiality” as judged against poorly defined criteria should be avoided, as this could lead to “bad substitution”; in other words, substitution with potentially less hazardous substances but which come with sustainability downsides for the whole life-cycle, so undermining the very objectives of the European Green Deal. Examples from the lubricants and fuels additives industry of the sustainability credits that chemicals can bring are given below.

5. Essentiality of Lubricant and Fuel Additives

Lubricant and Fuel Additives are used in multiple applications, such as wind turbines, internal combustion engines, hydraulic systems, transmission systems, metal working and other industrial / manufacturing processes.

Modern, high performing, lubricants and fuels are essential for global transport and, hence, the EU economy. They allow equipment and vehicle manufacturers to comply with increasingly stringent fuel efficiency, equipment durability and emissions targets, thereby directly benefitting the economic and societal needs of the European population.

Because of their fundamental importance to the transport sector (which is itself an “essential industry”) and for the production of renewable energy, lubricant and fuel additives must be deemed to be essential to the proper functioning of the economy. In addition, their growing relevance in the e-mobility sector is also going to play a crucial role in the decarbonisation of transport.

The substances placed on the market by the additives industry as represented by the ATC are all (where relevant) REACH-registered and, therefore, their hazards well known, fully assessed transparently communicated and the associated risks adequately managed.

As well as imparting critical and essential technical performance characteristics to lubricants and fuels (e.g. detergency, dispersancy, anti-oxidancy, flow improvement, etc), additives also contribute to the sustainability goals of the Green Deal and CSS by:

- Maintaining durability of engines, transmission systems and other technologies, so increasing service intervals;
- Increasing drain intervals for lubricants, thus reducing use of mineral oils and other chemicals;
- Enhancing fuel economy and reducing carbon dioxide emissions;
- Reducing particulate and NOx emissions;
- Allowing for the use of alternative fuels derived from renewable / bio resources;
- Enabling original equipment manufacturers to meet the demands of both legislators and consumers in terms of fuel economy, emissions and use of fuels with certain environmental quality specifications (e.g. low sulphur);
- Allowing distillates to flow under different and extreme temperature conditions, so avoiding the seasonal need for different oil grades.

6. ATC proposal

ATC believes that the use of Lubricant and Fuel additives are Essential for society and contribute to the goals of the Green Deal and the CSS.

An assessment of Essentiality should only be considered as a last step in regulatory decision-making processes and only when risk cannot be adequately managed. An assessment of essentiality based on poorly defined/overly simplistic criteria should not form the basis of screening to fast-track the restriction of certain hazardous substances that may otherwise be beneficial to society and whose risks are well managed. Furthermore, the essential use concept must be applied in a transparent and predictable way, with decision-making involving all interested stakeholders.

The proportionality principle enshrined in EU law should be respected, while competitiveness of the EU economy should be protected as one of the main aims of REACH.