



“The voice of SMEs in Europe”

Press Release

FOR IMMEDIATE ISSUE

REACH: last-minute deal a step forward for simplification, a step back for SME formulators

- **Relaxed rules on chemical safety assessment for small quantities ease red tape**
- **New wording on data sharing, cost sharing, data liberalisation worse than previous text**

Brussels, 13 December 2006. The final compromise text on the REACH regulation on chemicals approved by the European Parliament today (Wednesday) delivers once again mixed results for small businesses, according to UEAPME, the European SME employers’ organisation. UEAPME appreciated the efforts made by negotiators in order to tweak the regulation on some aspects such as chemical safety assessments, red tape and SME-specific measures. It regretted, however, that the compromise wording on data sharing and data liberalisation worsens the after-REACH outlook for SME formulators of chemical substances.

“Although certain aspects of the compromise on REACH deserve praise, such as the removal of compulsory and costly chemical safety assessment studies for substances produced in quantities smaller than ten tonnes, the overall result for SMEs is quite disappointing”, said **Guido Lena**, UEAPME Director for Environmental Policy. “As far as data sharing is concerned, for instance, manufacturers or importers of a chemical substance who do not intend to submit an application for registration are now just ‘encouraged’ to communicate with downstream users about their intention – whereas they were actually obliged to do so before the latest compromise. SME formulators will be disadvantaged by this clause, which prevents them from planning substitution of chemicals in their production processes in advance”, he continued.

A further shortcoming of the revised regulation lies in the new provisions on cost sharing. In case of partial disclosure, the determination of the cost sharing method to be used among registering parties is “proportional” but technical details are left to forthcoming guidelines, with all the uncertainties that this entails. In case of full disclosure, the principle of “fair” cost sharing according to each party’s production or import volume is abandoned in favour of “equal” cost sharing, which may price SMEs out of the market.

UEAPME also expressed concerns over the extension of the deadline for data liberalisation from 10 to 12 years. “Access to test data is fundamental for small businesses. We believe that there were no sensible reasons for adding two supplementary years of data exclusivity, which may well contribute to reinforcing the dominant position of multinationals in the chemicals market”, explained Mr Lena.

“Three years of negotiations over REACH have not managed to solve the concerns of SME producers and downstream users alike. The issues of data sharing and data liberalisation have been sidelined during the debate, and legal certainty on cost sharing is left to future guidelines. More could have been done to increase both competitiveness and competition in all business sectors working with chemicals in Europe”, concluded Mr Lena.

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EDITORS’ NOTE: UEAPME is the employers’ organisation representing crafts, trades and SMEs from the EU and accession countries at European level. UEAPME has 81 member organisations, which represent crafts and SMEs across Europe, covering over 11 million enterprises with 50 million employees. UEAPME is a European Social Partner.

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