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How chemicals policy can deliver benefits to the environment, consumers and a competitive digital sector in Europe



Executive summary

DIGITALEUROPE is committed to the responsible management of chemicals throughout their lifecycle, ensuring that the health of both people and the environment is protected from hazardous substances. We support the transition to PFAS-free electronics where feasible, and the substitution of substances that pose significant environmental or health risks.

Digital products rely on small amounts of chemicals to enhance functionality, reliability and safety. By themselves, these substances can sometimes have hazardous properties. These substances are typically contained within products, minimising exposure risks. Adherence to EU waste regulations ensures safe disposal.¹ Continuous monitoring and investment in safer alternatives are vital to reducing hazardous substances and protecting health and the environment.

Whilst the existing EU chemical framework – for the registration, evaluation, authorisation and restriction of chemicals (REACH) and on the restriction of hazardous substances (RoHS) – has generally been effective in managing chemical risks in electrical and electronic products, challenges remain.²

¹ Directive 2012/19/EU.

² Regulation (EC) No 1907/2006 and Directive 2011/65/EU, respectively.

To further enhance the effectiveness of EU chemicals legislation, DIGITALEUROPE proposes several key recommendations:

- ▶▶ **Proportionality and enforceability:** Electronic products often contain over a thousand individual components, making compliance with highly stringent restrictions (down to parts per million or billion levels) difficult and impractical. Restrictions on minute quantities of substances should be proportionate to the actual risk they pose, particularly when their use is proven to be safe.
- ▶▶ **Substitution takes time:** The development and implementation of safer alternatives for restricted substances cannot always happen immediately. For some critical applications, drop-in alternatives may not yet be available, and thus continued use should be allowed until suitable replacements are found. Prioritising the substitution of substances based on their application risk and complexity ensures that the most significant risks are addressed first.
- ▶▶ **Strengthening REACH and RoHS:** REACH and RoHS are internationally recognised and provide clear guidelines for substance restriction and supply chain communication. They should continue to be used as primary instruments for managing substances in electronics. Placing substances to be restricted on the SVHC candidate list early in the restriction process would enhance data collection and supply chain cooperation.
- ▶▶ **Supporting the circular economy:** To promote the circular economy, products should be allowed to be repaired or reused using materials that were permitted when they were originally placed on the market. This principle ensures the longevity and sustainability of products whilst reducing waste. Exemptions for re-used and refurbished products from new substance restrictions should be consistently applied across EU chemical legislation.
- ▶▶ **Scientific foundation for policy:** Sound scientific and toxicological principles should underpin all chemicals regulation. Legislation should be based on thorough risk assessments, considering both exposure and hazard properties, to ensure policies are balanced and effective.

Through these improvements, the regulatory environment can continue to protect health and the environment whilst ensuring further competitiveness and sustainable growth of the EU's digital sector.



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Revamping EU chemicals policy for sustainability and competitiveness

Many digital products critical to our society and economy depend on a diverse array of chemical substances. These chemicals are integral to improving product functionality, reliability and safety. In most cases, they are present in minimal amounts and are securely bound within the product's solid structure. As such, the risk of exposure to hazardous chemicals during the product's lifespan is generally negligible. Similarly, end-of-life treatment of electronics ensures hazardous substances are properly handled, minimising harmful emissions.

Continuous monitoring and management of emerging risks from hazardous substances are essential. The digital industry dedicates considerable resources to developing safer alternatives and eliminating harmful substances and is strongly dedicated to do its part to guarantee the sound management of chemical substances through their life cycle. Our industry supports the transition to PFAS-free electronics whenever possible, and away from substances that pose significant environmental or human health risks.

DIGITALEUROPE supports the use and improvement of REACH and RoHS as the key legal instruments to responsibly manage substances, be it through limiting concentration levels, restricting specific applications or incentivising substitution of substances of very high concern (SVHC).

Despite its overall effectiveness, the EU chemicals framework faces challenges, particularly in the REACH restriction process.

A thoughtful revision of REACH, focused on simplification, transparency and clear timelines, could enhance environmental and health protection whilst boosting the EU's sustainable growth. Predictability and legal certainty are critical for guiding decisions on next-generation technologies, as highlighted in Mario Draghi's recent EU competitiveness report.³



Proportionality and enforceability

Electronic products often contain over a thousand individual components, many of which are complex in nature. Imposing substance restrictions at extremely low levels, such as parts per million (PPM) or parts per billion (PPB), becomes impractical and unenforceable due to the difficulty of accurately measuring these quantities in complex articles.

Regulations should be based on a balanced approach, considering the actual risk posed by substance uses. Restricting minuscule amounts of highly

³ https://commission.europa.eu/topics/strengthening-european-competitiveness/eu-competitiveness-looking-ahead_en.

functional substances is disproportionate, especially when their use does not present a significant risk to health or the environment. A more pragmatic, risk-based approach will ensure that safety is upheld without creating red tape.



Substitution takes time

For newly restricted substances, immediate drop-in alternatives may not always be readily available, especially in complex applications.⁴ In critical use cases, where safe alternatives are still in development, continued use of the substance should be permitted until suitable replacements are identified and can be implemented.

Substitution efforts should be carefully prioritised based on the risk level and the complexity of the application, ensuring that the highest risks are addressed swiftly whilst allowing for a phased transition for less urgent cases. This phased approach encourages innovation without compromising safety or functionality in key technological sectors.



Strengthening REACH and RoHS

REACH and RoHS are globally recognised frameworks that provide clear rules and guidance on managing hazardous substances in electronics. For example, the structured communication of SVHC information along the supply chain ensures transparency and compliance, even in complex, international supply chains.

To enhance the global adoption of these mechanisms and streamline compliance, REACH and RoHS should be leveraged as the primary tools for future substance restriction initiatives.

Including substances in manageable groups on the REACH candidate list (the SVHC list) early in the restriction process will allow for better data collection and informed decision-making across the supply chain, facilitating more effective regulation.



Circular economy

Promoting a circular economy requires consistency in regulatory application.

Allowing the repair of products using substances that were permissible when they were initially placed on the market is essential for achieving sustainability goals. This 'repair-as-produced' principle ensures that older products can

⁴ A drop-in alternative is a replacement material that can substitute a restricted substance whilst maintaining the same functionality and quality, without requiring modifications to the product's design or other components.

remain in use longer, minimising waste and supporting the EU's circular economy objectives.

Additionally, products already placed on the market should be exempt from new substance restrictions to enable their reuse and refurbishment. These exemptions will encourage the reuse of valuable materials, reduce e-waste, and align with sustainability goals while maintaining regulatory coherence.



Sound scientific principles

All chemicals legislation should be grounded in robust scientific and toxicological analysis. Regulations should be developed based on comprehensive risk assessments, which consider both the hazardous properties of substances and the likelihood of exposure.

This science-based approach ensures that regulations are proportionate, addressing real risks whilst avoiding overregulation of uses that pose minimal threat.

Sound scientific principles will also foster trust in the regulatory process and provide a stable foundation for future policy developments, helping to balance environmental and health protection with innovation and economic competitiveness.

FOR MORE INFORMATION, PLEASE CONTACT:



Tim Sollberger

Senior Policy Manager for Sustainability

tim.sollberger@digitaleurope.org / +32 490 44 83 61



Raphaëlle Hennekinne

Director for Sustainability Policy

Raphaelle.Hennekinne@digitaleurope.org / +32 490 44 85 96

About DIGITALEUROPE

DIGITALEUROPE is the leading trade association representing digitally transforming industries in Europe. We stand for a regulatory environment that enables European businesses and citizens to prosper from digital technologies. We wish Europe to grow, attract, and sustain the world's best digital talents and technology companies. Together with our members, we shape the industry policy positions on all relevant legislative matters and contribute to the development and implementation of relevant EU policies. Our membership represents over 45,000 businesses that operate and invest in Europe. It includes 108 corporations that are global leaders in their field of activity, as well as 41 national trade associations from across Europe.