

**IMMEDIATE**

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Mission of Thailand to  
the European Communities  
Brussels

No. 05001/704

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Cabinet de M. Liikanen	
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Excellency,

With reference to my letter No. 05001/632 dated 23 June 2003, I am pleased to forward herewith the official comments of my Government on the proposed strategy of the Future Chemicals Policy of the European Union. We are hopeful that the EU would consider our comments and requests favourably.

Yours sincerely,

(Surapong Posayanond)

Ambassador of Thailand

H.E. Mr. Erkki Liikanen,  
Commissioner,  
DG-Enterprise,  
Rue de Science 15,  
**1049 BRUSSELS.**

Chancellery : Square du Val de la Cambre, 2 - 1050 Brussels, Belgium  
Tel. ++32-2-640 68 10 Fax. ++32-2-648 30 66 E-mail : thaibxl@pophost.eunet.be

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Official Comments  
of the Royal Thai Government  
on  
the Proposed Strategy  
of the Future Chemicals Policy of the European Union

The Royal Thai Government would like to commend the efforts of the European Union (EU) to protect safety of the public health and environment through various measures i.e. food safety, and recently on chemicals. In addition to regulate and standardize the complexity concerning chemicals, it is also essential to take into account the economic and social well-being. We hope the proposed chemical strategy would enable us to obtain more scientific information on the properties, applications and risks of the chemicals which are placed in the markets including products thereof. This would be beneficial to the public and users who would not only be able to choose less hazardous chemicals but also use them correctly and appropriately. Therefore the application of REACH to minimize waste from chemicals, reducing the harmful effect on the environment as well as the public health while providing more transparency should be targeted **non-discriminatory**

and does not pose unnecessary obstacles to trade, in any ways. Nevertheless, Thailand is concerned particularly on how exactly such applications should be materialised. The practical solution need to be determined to avoid the far-reaching impacts that extend beyond the chemical industrial sector covering virtually every branch of industry, including all stakeholders of the chemical products.

Thailand would like to take this opportunity to comment on the proposed chemical strategy which introduces the system of Registration, Evaluation and Authorisation of Chemicals (REACH) and downstream products. This is to express our concerns as well as our proposals and requests on this matter:

### 1. Issues of Concern

1.1 Not only the proposed strategy would have **significant impact on trade** between Thailand and the EU, it would also adversely affect the revival of Thai economy, particularly the **small and medium enterprises** (SMEs). Most of them are the downstreamers of the industries who will bear increasing costs of inputs and product specification changes.

1.2 Large number of existing substances from the EU may not be available for Thai local industries, which would force them to switch to higher priced substances for productions catering to the EU market. It will cause their products into the **disadvantageous and non-competitive status**.

1.3 Where the chemical industry will be held responsible for safety testing and assessment, property rights will be assigned for tested data to discourage the duplication. Therefore, it would enable the first data generator, mostly residing in the developed countries, to charge subsequent users for a so called "fair and equitable contribution".

1.4 If developed countries choose to leverage their power in property rights, they could charge at a high rate that would be infeasible for developing countries to export, especially downstream products, to the EU. In such scenario, **property rights on test data** could act as a **barrier to trade**.

1.5 Implication of the requirement of the system, which is focusing on data generation rather than risk management would lead to higher cost of production to exporters.

1.6 REACH regulations will become **technical barriers to trade for the developing countries** such as Thailand, particularly due to the prescriptions on production and process measures.

1.7 REACH regulations are **not WTO consistent nor harmonise** with the UN Globally Harmonised System of Classification and Labelling of Chemicals (GHS). Furthermore, they do not conform with the criteria set under the UNEP Stockholm Convention on Persistent Organic Pollutants (POPs).

## 2. Proposals and requests

2.1 Due to the far-reaching impacts on wide range of industries, we propose that the European Commission **further extend** the July 10th, 2003 deadline for comment, for **four more weeks**, in order to provide more detailed comments on the anticipated impacts of the relevant industrial sectors.

2.2 Consensus should be sought at the Inter-Government Forum on Chemical Safety (IFCS).

2.3 Registration requirement for the existing substances should be based on the existing information and kept to the minimum level needed to develop a preliminary risk assessment.

2.4 The mandatory testing will impose extra workloads and pressures on testing capacity and higher costs. Flexible parameters and time frame should be **reassessed and extended** to 5 more years for registration of existing products as the case may so require. With inadequate funds and limited level of economic development, the European Union should allow developing countries, including Thailand, an extended period of time to adapt before the EU measures and legislation come into effect. The extended period of time should be considered on a product-by-product basis.

2.5 The introduced REACH system should **conform to the GHS** and other criteria set by the **IFCS**, as well as the other **relevant international conventions**.

2.6 It is important to take into account that the **International Council of Chemicals Association (ICCA)** is expected to complete the on-going high-volume production assessment programme, and to adopt as parameters for assessment of existing substances by 2004.

2.7 REACH requirements should be **exempted** for products using existing substances

subject to and until such substances are to be proved harmful for such uses.

2.8 The enforcement of REACH system will render the contemplated EU Green Paper on Integrated Product Policy (IPP) **redundant**. The time frame should very well be planned to provide incentive to early implementation of IPP i.e. after successful introduction of IPP.

2.9 Technical assistance on capacity building for developing countries such as Thailand, remains crucial. They should be equipped with technical and scientific laboratory facilities to perform the required testing and risk assessment of its products prior to entering the EU market.

2.10 To save time and money of the downstream users on **Evaluation**, the accreditation of recognised institutions in other countries i.e. the US' EPA Evaluation, will be very helpful and needed.

2.11 The application of the European Union's measures and legislation on Chemicals must be justified and transparent and must not, therefore, create discriminations among countries or regional cooperation.

2.12 Regarding the Precautionary Principle, the European Union should not proceed, until these issues are taken up and resolved by appropriate international bodies such as the WTO.

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