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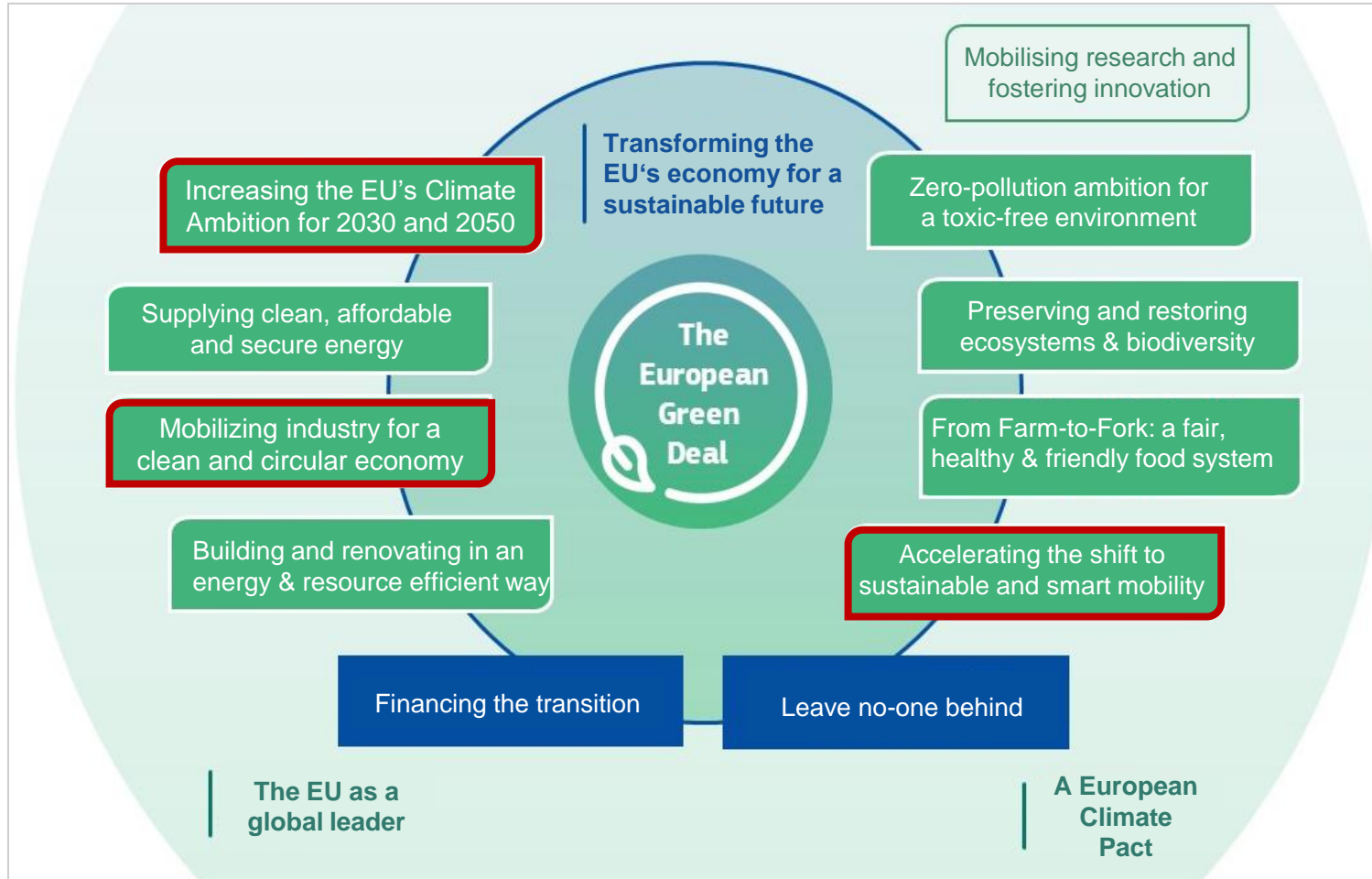
# BASF's view on the EU Chemicals Strategy for Sustainability (CSS)

Webinar ZCHFP, May 5th, 2021

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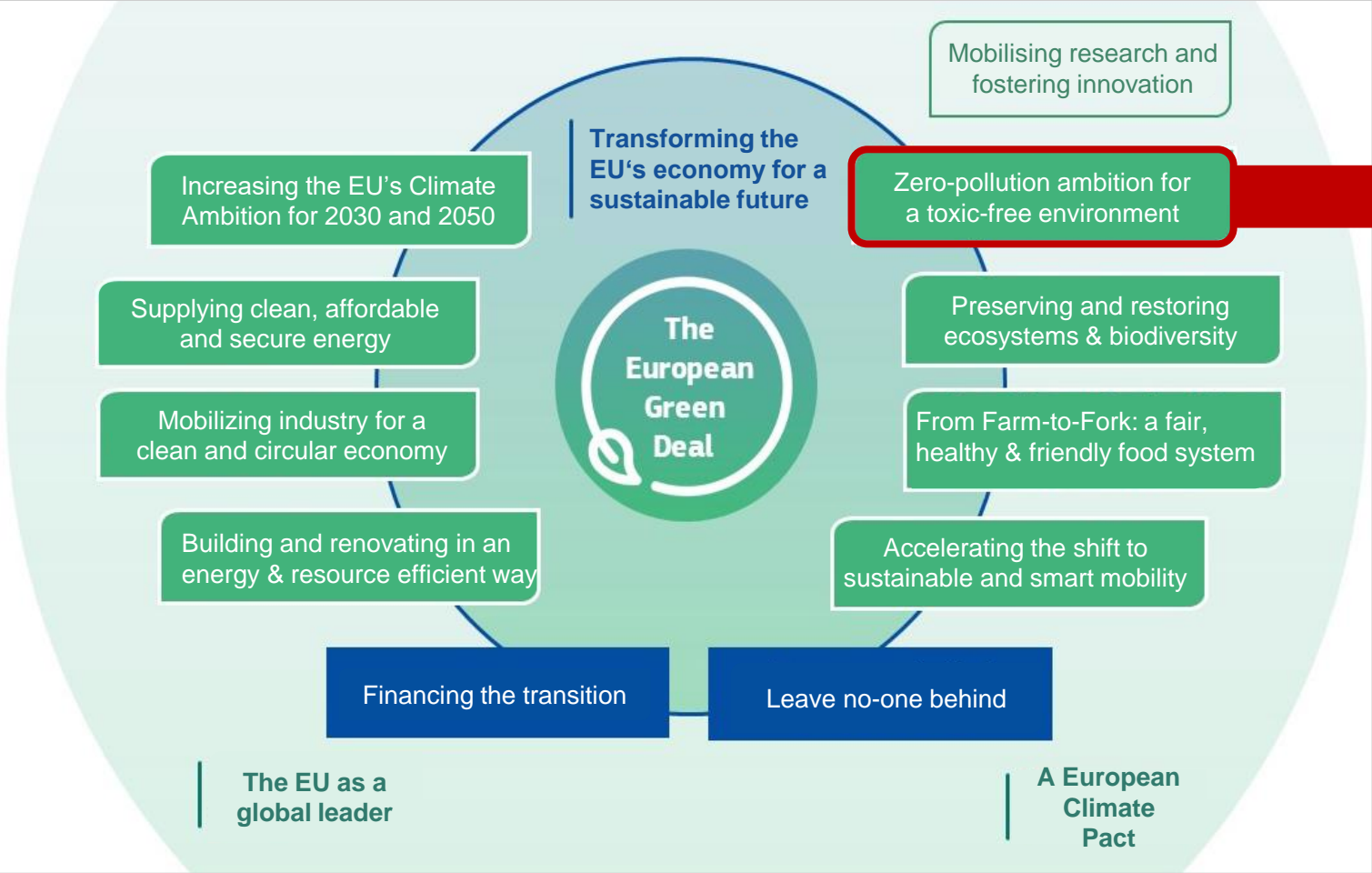
# The European Green Deal: BASF contributes



## Ongoing transformation of the industry

- **BASF** contributes on several ends:
  - Carbon Management: approaching a carbon neutral production.
  - Circular Economy: dedicated program with targets of 250 kt recycled feedback by 2025 and € 17 bn circular sales by 2030
  - Battery materials for e-mobility.
- This requires investment and innovation spirit.

# Chemical Strategy for Sustainability: Opportunities and Challenges

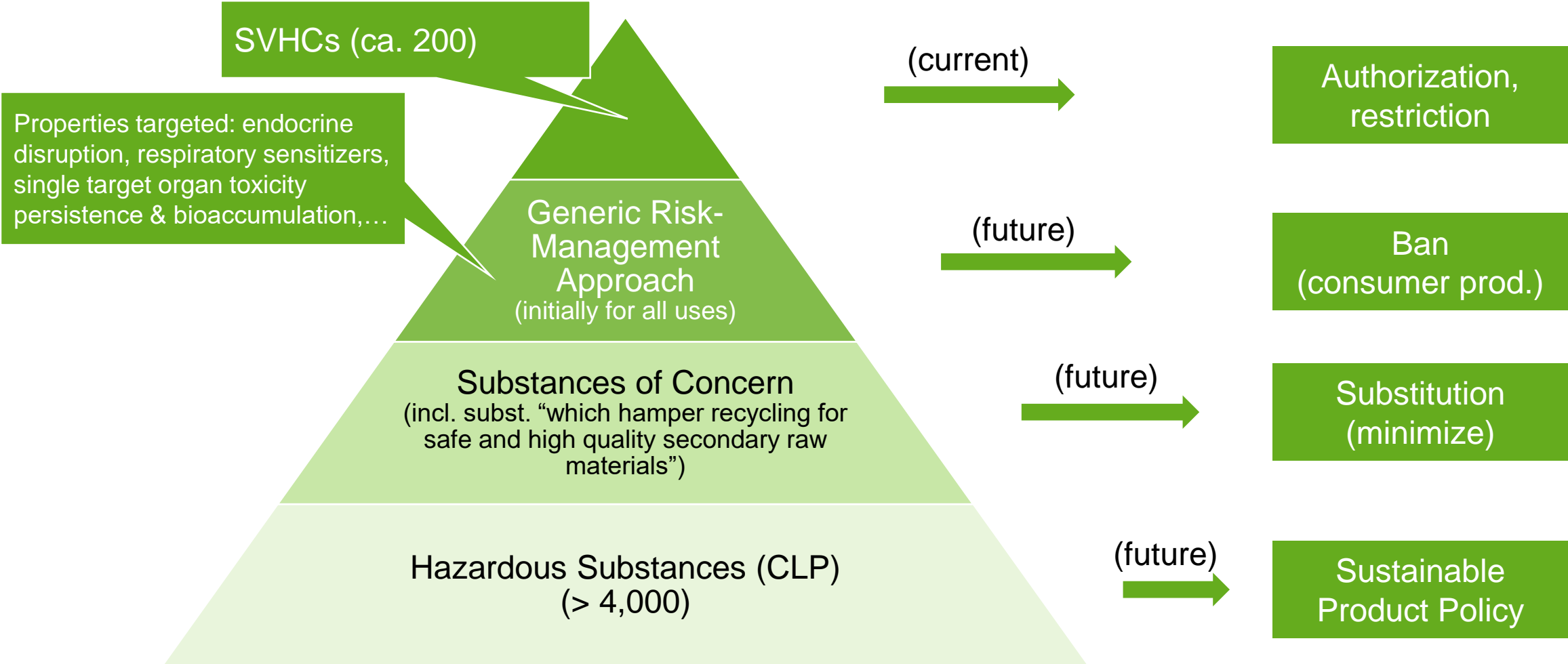


**Includes Chemicals Strategy for sustainability**

**Objectives:**

- Opportunity:  
Boost innovation to enable transition to safe and sustainable chemicals
- Challenge:  
Regulation aimed at an enhanced protection of human health and the environment

# Many substances will be affected: the chemical toolbox shrinks



Fewer substances on the market – industrial uses affected

# CSS: impact on Industry – example

- BASF OASE<sup>®</sup> green: solvent (optimized mixture) for the energy efficient cleaning of bio-gas (removal of H<sub>2</sub>S and CO<sub>2</sub>)
- BASF rating as Accelerator: product which makes a special contribution to sustainability
- The mixture contains components with hazard properties which would lead to a ban under the CSS.
- No relevant exposure of humans or the environment during use, transport and storage. Current assessment concludes: no risk.
  - For the regulation of chemicals, the assessment of risks under the intended use is indispensable.
  - Impact not only on BASF as producer but also on users which run the bio-methane production.



**OASE<sup>®</sup>**  
GAS TREATING EXCELLENCE BY BASF

# Assessing impact

## Cefic: impact assessment for **chemical and downstream industries**

- Cefic closes a gap as EU COM will not conduct holistic impact assessment
- Implications for **downstream industries** from lack of substances needs to be shown
- **Country-specific** impact to be assessed
- 240 companies participate, Results in Q3/2021
- Initial BASF assessment shows significant potential impact



# CSS: Staying aligned with Global Chemicals Regulation

What is the issue?

- CSS aims at new classification for endocrine disruptors and persistent chemicals.
- This would by-pass the Globally Harmonized System for classifying chemicals (GHS) and may derail the whole GHS process.

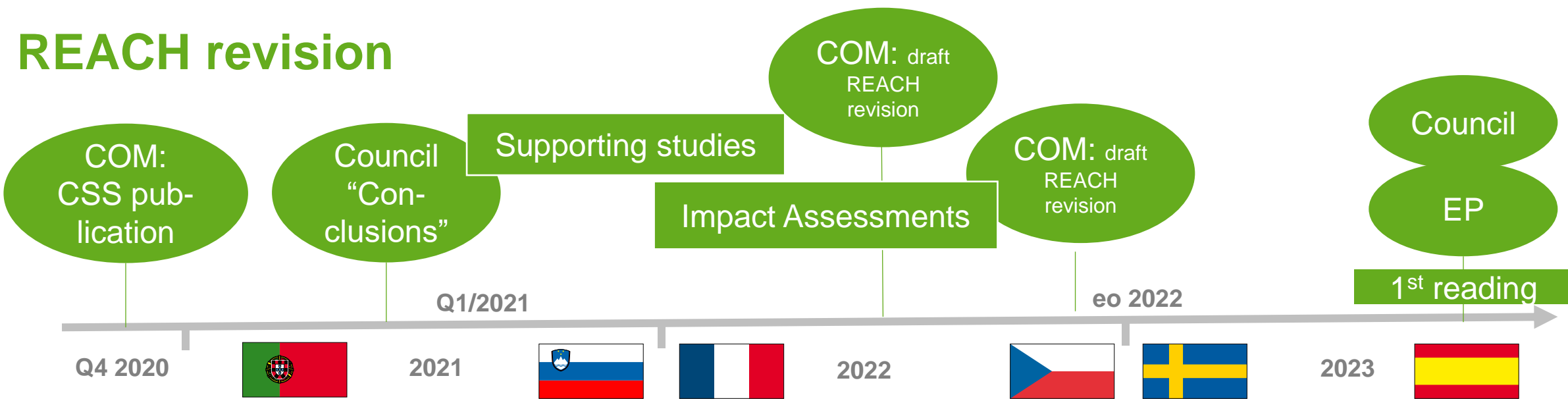
Why is it important?

- Common classification is the basis for common rules.
- The EU chemical industry is globally active and exposed to global competition.
- GHS is essential for chemical safety, particularly outside the developed world

What is our request to the Slovak Government?

- Support the position: Commission to introduce new classification in GHS first

# REACH revision



**EU COM**

Proposal for a revision of the Regulation for Classification and Labelling as well as for REACH

**EP & Council**

Compromise on final text

**BASF**

- Content: suggest regulatory concepts
- Preparedness:
  - industry impact assessment
  - communication (crisis ?)
- Awareness raising

• Advocacy on draft/ amendments







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