DIGITALEUROPE

Comments on REACH PFOA Restriction Proposal

Brussels, 11 June 2015

DIGITALEUROPE, the association representing the digital technology industry in Europe, welcomes the opportunity to comment on the Annex XV Restriction Report: Proposal for a Restriction for Perfluorooctanoic acid (PFOA), PFO salts and PFO-related substances, published on 17 October 2014.

While PFOA is usually not directly contained in electronic products, Fluoropolymers are base plastic materials used in a wide variety of electronic applications. As downstream users of Fluoropolymers, we do not have a direct influence on the upstream process of chemicals used for manufacturing Fluoropolymers. Irrespective of whether long chained perfluorinated substances such as PFOA or their short chained alternatives are used for manufacturing of Fluoropolymers, thermal or other decomposition will highly likely lead to trace contamination with PFOA. While these impurities of PFOA are contained in very low concentrations, the proposed threshold of 2ppb would lead to a de facto restriction of all Fluoropolymers.

For the ICT and consumer electronics industry, the use of Fluoropolymers is key to the functionality of many product applications. Examples include lithium-ion battery chemistry and wire coatings on transformers and in power supplies coated with Fluoropolymers. Fluoropolymers are used as a low-loss material for high frequency applications like communications chips and printed circuit boards. The same is valid for other electronic parts such as electrical switches, electromagnetic solenoid valves, transducers, magnetic separators, electrical insulators and capacitors. Fluoropolymers are also used in structural components of electronic products, such as washers and gaskets; anywhere where heat, electrical isolation and chemical resistance are needed.

For these Fluoropolymer applications there are neither alternatives nor substitutes. The proposal to restrict PFOA and PFOA-related substances at 2 ppb for articles therefore presents a serious concern for our industry.

In the light of the above, DIGITALEUROPE proposes to include in the restriction a derogation for fluoropolymers, thus excluding fluoropolymers from the scope. This is will ensure that (unintended) consequences outside the intended scope will not occur.

Support of comments provided by Japanese electric and electronic industrial associations (Japan 4EE), European Semiconductor Industry Association, and the FluoroCouncil

DIGITALEUROPE fully supports the comments provided on 25 February 2015 by the Japanese electric and electronic industrial associations (Japan 4EE, which includes JEITA, CIAJ, JBMIA and JEMA), those submitted on 27 February 2015 by the European Semiconductor Industry Association, and the input from the FluoroCouncil submitted on 18 February 2015.

We specifically support the following comments made:

- The restriction should cover the target substances but not have consequences outside its intended scope: the threshold of 2 ppb applicable for all substances in scope and all types of products would

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mean a de facto ban of all short-chain alternatives and fluoropolymers made without PFOA. With current analytical technology, it would show false-positive results against "clean" products, and would even catch certain products that were made without fluorochemicals but which were contaminated somewhere in the logistics chain, causing great reputational and economic damage to European industry.

- Necessity of the identifiable way of specifying chemical substances: we believe that covered substances should be identifiable by identifiers and therefore be manageable. More concretely, when PFOA and its related substances would be restricted, covered substances should be specified by identifiers such as EC or CAS numbers.
- Threshold should be set at a level that eliminates the manufacturing, use and placing on the market of long-chain substances while still allowing manufacturing, use and placing on the market for the essential alternatives. We strongly believe that appropriate threshold should be set based on risk assessment and socio-economic impact assessment under REACH.
- Detection method: Standardised, robustly repeatable, analytical techniques that minimise false positives available in Member States to allow a proper enforcement of the restriction must be available. Currently there is no standardized method of detection of perfluorinated compounds (PFCs) available. Even if such a method would become available, analytical difficulties such as the ubiquitous contamination in the lab environment as well as the tendency to adhere to glassware would need to be overcome.
- The semiconductor industry uses PFOA or PFOA related substances in very small amounts as a critical ingredient in photolithography chemistry for integrated circuit patterning (No PFOA or PFOA related compounds remain within the semiconductor product). Although the industry has already reduced the use of these substances, there are some applications where no replacements are currently available. The potential risk to the environment and human health is managed in semiconductor use through stringent risk management measures implemented in the manufacturing factories.

Repair and refurbishment of articles

Even if the restriction proposal is adapted to include a higher threshold, use and availability of spare parts may be endangered. Indeed, spare parts are designed and specified for the products they serve once placed on the market and need to be available to users in order to extend products' life-time via upgrading or repairing operations. Also, considering that electronic products may contain varying quantities of recycled content, the proposed restriction could limit our use of recycled content in products. We therefore request a derogation for spare parts and recycled content in electronic articles.

Transition period

In order to allow industry sufficient time to comply with new substance restrictions an adequate transition period needs to be established depending on the impact, usage and equipment/technology affected on a case by case basis. Such a transition period needs to be proportional to the risk and take into account the following considerations:

- Availability of proven alternatives and knowledge of their impact on health, safety and environmental aspects,
- Whether substitution relates to cosmetic and/or technical/functional aspects of the products in scope,
- Whether or not substitution requires design changes,
- Market readiness to provide alternatives,
- Whether or not the substance was already subject to (partial) restriction (new restriction versus removal of an exemption),
- The number of tiers in the global supply chain.

The global supply chain is hesitant to introduce substitutes based on draft legislation and the official publication of a restriction is often the starting point for transition.

Where substitution of a substance is mandated while alternatives have not been identified like in this case, the actual transition may require many years to complete. Alternatives having an impact on performance and/or reliability such as here, require testing/qualification at every level of integration in the supply chain from basic material supplier up to the system vendor level before production volumes can be ordered and used for the manufacturing and placing on the market of systems.

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ABOUT DIGITALEUROPE

DIGITALEUROPE represents the digital technology industry in Europe. Our members include some of the world's largest IT, telecoms and consumer electronics companies and national associations from every part of Europe. DIGITALEUROPE wants European businesses and citizens to benefit fully from digital technologies and for Europe to grow, attract and sustain the world's best digital technology companies.

DIGITALEUROPE ensures industry participation in the development and implementation of EU policies. DIGITALEUROPE's members include 58 corporate members and 37 national trade associations from across Europe. Our website provides further information on our recent news and activities: http://www.digitaleurope.org

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