

Cobalt Institute response to SEAC public consultation

The CoRC-CI provided the SEAC with an updated and broadened analysis of the socio-economic impact of the proposed Restriction by triangulating three data sets (eftec 2019, EBRC 2020, RPA 2020) to produce a 'best estimate' of the total costs of compliance for each exposure limit value for the EU.

Our report concludes that:

- The **costs of compliance for the REACH Restriction on the five cobalt salts are significantly higher** than those reported by the dossier submitter.
- As a result, **both proposed Restriction options (RO1a and RO1b) are not proportionate and likely highly unfavourable from a perspective of net benefits to society.**
- **An EU-wide binding OEL for cobalt and compounds (scope still to be decided) would be the more appropriate RMO.**
- Further work will follow on quantified benefits, but our **preliminary** analysis shows that **an OEL would provide significantly higher benefits than a Restriction**, regardless of which exposure limit value is used (1, 10, or 20 $\mu\text{g}/\text{m}^3$).
- The **number of annual avoided cancers is below 1** under both Restriction options RO1a and RO1b.
- A **transition period of 5 years** may be more appropriate for the proposed Restriction in some cases (set out in more detail in our full response).

CoRC-CI additionally notes that:

- **All workers exposed to cobalt and compounds in the workplace would be covered under an EU-wide binding OEL:** It is estimated that 65,300 – 75,300 workers in the EU may be exposed to cobalt and/or one (or more) of the cobalt compounds, most of which would not be covered by the Restriction. Under ECHA's assessment the Restriction would over 8,400 workers (RO1b) or 300 workers (RO1a).
- Implementing an EU-wide binding OEL without the proposed Restriction would create **one relatively simple, coherent, consistent regulation while also covering all workplace exposure to cobalt** – consistent with the Better Regulation principle and giving industry certainty.
- The Restriction as proposed would require major investment to derive relatively little benefits, but with the **potential unintended consequence of moving relevant businesses out of the EU.**
- Companies that use the five cobalt salts in addition to other cobalt substances of a similar hazard profile would be put at a disadvantage versus companies that do not use the salts. An OEL would **ensure a level playing field** if some users of the five cobalt salts substitute to using other cobalt substances (where possible) to avoid the proposed Restriction.



- Companies would have the **confidence to make one set of investments** to meet the requirements of the OEL. Industry is currently being presented with two potential regulations, which could impose different requirements for the same facility and yet be implemented at different times. Companies will not know the OEL value until after they are required to have implemented the REACH Restriction, meaning they cannot plan for both at the same time.
- It would **avoid a situation where workers have different exposure limits for the five cobalt salts versus other cobalt substances of a similar hazard profile** which, from a practicality and monitoring perspective, would be problematic (if not impossible) to operate under.
- The formal **OEL setting process includes a very robust impact assessment** that covers all stakeholders and relevant issues.
- A bOEL would **spread fixed investment costs across more workers** at a wider range of facilities, making the costs and benefits more proportionate.