



The strategy for a future chemicals policy within the European Union and the effects on industry, and in particular the leather sector, have been presented in World Leather November 2002 and November 2003. As a major consumer of chemicals, and goods that might contain products viewed as hazardous or persistent, this EU policy has massive global implications.

This edited Executive Summary from a Special Interest Case Study throws light on the commercial concerns of the Chemical Sector outside the EU, the actions taken at the highest political levels to address these concerns, and the outcome stated as a weakening of a major environmental initiative.

In reaction to REACH: the chemical industry, the Bush administration, and the European efforts to regulate chemicals

This Special Interest Case Study report examines how the Bush Administration responded to a landmark effort by the European Union to reduce the risks of chemical exposure. The report is based on documents obtained by the Environmental Health Fund, a small US nonprofit environmental organisation, and provided to the Special Investigations Division. These documents indicate that the Administration, at the request of the US chemical industry, mounted a campaign against the efforts of the European Union to regulate chemical companies.

Under the previous Administration, it was US policy not to intervene in the efforts of other countries to protect their environment.

The Bush Administration would appear to have abandoned this approach in the case of a European Union initiative to regulate the chemical industry known as Registration, Evaluation, and Authorization of Chemicals (REACH). REACH is an effort by the European Union to require chemical manufacturers to provide safety data about chemicals they produce. It would also give the European Union the authority to ban especially hazardous chemicals.

The documents provided to the Special Investigations Division are a series of e-mails, cables, and memoranda from the State Department, the US Trade Representative, the Commerce Department, and the US Environmental Protection Agency about the REACH initiative. These documents show:

- Since REACH was proposed in February 2001, Administration officials "have been actively meeting with the US chemicals industry to solicit their views and concerns" regarding the European Union's proposal to regulate chemicals.
- In early 2002, a Commerce Department paper recorded that "[i]ndustry...would like the USG to work to educate [other countries] so that they can join the United States in raising concerns."
- Shortly thereafter, in March 2002, Secretary of State Colin Powell sent a cable directing US diplomatic posts to "raise the EU chemicals policy with relevant government officials" and to object to the REACH proposal as "a costly, burdensome, and complex regulatory system."

- The Assistant United States Trade Representative for Europe and the Mediterranean "tasked" the chemical industry with developing "themes" for the Administration to convey to the European Union about the proposal. These themes were presented to Administration officials at a meeting on April 3, 2003.
- Later that month, Secretary Powell sent another cable to diplomatic posts about the European Union proposal. This cable repeated at length the themes developed by industry and directed the posts to object to REACH on a priority basis.
- Officials working for the United States Trade Representative exchanged e-mails with industry representatives identifying European Union nations that needed to be "targeted" and urging industry to "get to the Swedes and Finns and neutralize their environmental arguments."
- Officials from four federal agencies—the State Department, the US Trade Representative, the Commerce Department, and the US Environmental Protection Agency—planned a wide range of actions to build opposition to REACH, including assigning industry representatives to coordinate the lobbying of specific countries, traveling to Europe to meet with government and industry representatives, and urging Asian and other non-European nations to oppose REACH.

It is claimed that the Administration's efforts led to revisions to the REACH proposal. According to a 2003 report from the American Chemistry Council (ACC), "ACC rallied opposition to the draft proposal, including a major intervention by the US government. ...These efforts...brought about significant concessions in the draft." A memo from the Commerce Department reports that senior chemical industry executives met with senior Commerce Department officials to "thank the US Government for its efforts to garner support for US industry's position."

The documents described in this report provide a case study in how a powerful special interest can influence the nation's foreign policy. The chemical industry is one of President Bush's biggest political supporters. As the documents reveal, the industry succeeded in using its access and influence to persuade the Administration to intervene to weaken a major environmental initiative in Europe. ●