



World Chronicle

UNITED NATIONS

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GUEST: Margot Wallström
European Union's Commissioner for the Environment

JOURNALISTS: Susannah Price
BBC

Jack Freeman
The Earth Times

MODERATOR: Tony Jenkins

“Europe and the Environment: Chemicals Control and Climate Change”

Europe is proposing tough regulations on chemicals: a system (called REACH) to register, evaluate and approve thousands of substances that are used in manufacturing the things we use every day.

The plan is intended to protect citizens of countries in the European Union from harmful chemicals in their environment, but has been criticized as being a trade barrier by some of the EU's economic competitors.

How good is the data on chemicals in the environment and in the human body? How important are environmental issues in the global agenda? Are scenarios of sudden global climate change realistic, or do they discourage people from taking action to save the planet?

These are some of the questions addressed in this edition of World Chronicle, featuring Margot Wallström, the European Commissioner for the Environment

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ANNOUNCER: From the United Nations in New York, an unedited interview programme on global issues. This is **World Chronicle**. And here is the host of today's **World Chronicle**.

JENKINS: Hello, I'm Tony Jenkins and this is **World Chronicle**.

Regulating harmful chemicals in the environment. Can it be done in a way that still allows sustainable economic development – while protecting human health?

Does regulation produce red tape and trade protectionism – or is it a rational way to balance health and commerce, while preserving the environment?

The European Union is proposing tough, and controversial, new regulations – a system to register and evaluate thousands of chemical substances.

And our guest today is the woman behind this plan: Margot Wallström, the European Union's Commissioner for the Environment

Welcome to **World Chronicle**...

WALLSTROEM: Thank you very much.

JENKINS: I want to start up. I heard reports recently that you had your own blood tested for chemicals to demonstrate the effects of environmental pollution on human health; can you tell us something about that?

WALLSTROEM: It was really a blood test and of course, you only find what you look for, so in this case they tested my blood for three groups of chemicals; pesticides, flame retardants and PCB. And they look for 77 of these and they found 28 in my blood. Because I felt that the whole debate about chemicals was turned into a technical [endeavour] issue while it actually concerns all of us.

JENKINS: So that was a good way of bringing the message home?

WALLSTROEM: It was, indeed people have started up and taken notice.

JENKINS: I bet, were you shocked...I mean if I recall you were born and raised in the rural North of Sweden, a long way, away from the heavy industry or anything that might consider polluting, were you surprised to find that you had 28 chemicals in your body?

WALLSTROEM: Not surprised... but I was surprised that among these 28 chemicals were PCB's and DDT's, actually, and these are substances banned since decades ago in Europe and in the US.

JENKINS: We're joined us in the studio by Susannah Price of the BBC, and Jack Freeman of The Earth Times. Jack...

FREEMAN: Surely, Commissioner Wallstroem, nobody wants to have these chemicals in their blood and yet your proposal to control chemicals has taken two years to put together, why did it take so long?

WALLSTROEM: Even longer than that, because it started in 1998 when Environment Ministers in Europe decided that a reform of the chemical's policy was necessary. And it has taken so long because you can see clearly that there are conflicts in interest there and we've had an unprecedented lobbying on this issue where industries have fiercely fought this proposal from the very beginning. But I think it's also necessary to really go through all the arguments and look at it and how to balance this interest to make sure that we have a high level of protection for human health at the moment while at the same time being able to keep a successful European chemicals industry alive. And I think this is what we've managed to do in the end.

JENKINS: The name of your proposed new regulation is...the acronym is "REACH" which stands for Registration, Evaluation and Authorization of Chemicals. And it requires companies that import chemicals to register them in a central database as I understand it. Is this purely to protect human health and environment or other...I believe that there been some that suggested that this is actually a move to protect European competitiveness in the chemical industry?

WALLSTROEM: No we're not allowed to discriminate between what is produced and manufactured or sold in Europe and what we import, so the rules are the same for European producers and what we import from other countries. Of course, we made sure that we do not discriminate or that we do not take measures that are not compatible with international trade rules. This has been part of the policy from the very beginning and its not that we're interested in sort of compiling data for... you know, no-use whatsoever, of course, we should not sort of create an overly burden, some of bureaucratic system, we are trying to limit it.

JENKINS: The reason I asked that question is, because you said that industries in Europe are complaining but if they're all going to be treated equally, whether they're domestically based in Europe or whether they're importers from overseas, what's their problem? Why there is a problem?

WALLSTROEM: Well, they complained about the cost, they say that this will be too costly and that they will have to do all of these. I mean, they have been left alone for too long I think and there is a very strange artificial divide between what is called "existing chemicals" and "new chemicals". So all those who have place in the market before 1981, we have very limited knowledge about. But those who really want to introduce new chemicals; they have to undergo a very burdensome process of risk assessment. In ten years, the European Union has been able to have risk assessment for seventeen chemicals and we deal with let say, 30,000 chemicals, I mean in daily use.

PRICE: It seems that there's a lot of opposition outside the EU - the United States and some Far Eastern countries. Do you think that there is any chance of getting this kind of legislation worldwide and how effective it would be if it only applied in the EU?

WALLSTROEM: I think that they know also abroad that what we do is clearly an international market, an open market where these goods travel. It will affect the rest of the world, and if we take the lead, if we introduce these rules, if we have a stricter control and actually more of testing, knowing more...we close this knowledge gap – that will also affect the rest of the world, and the producers in other parts of the world. They are very powerful because they represent of course a lot of money and a lot of jobs. They were an important fixture for the rest of the world. So, they have also tried to fight it, saying that it is too bureaucratic, it's too costly, etc. and even the U.S. administration has been involved in trying to interfere with our decision making process in Europe.

JENKINS: The Bush administration, what are they saying?

WALLSTROEM: Well, ?????????????????? there was a report in the US illustrating that this has taken place and as a role very active.

JENKINS: In other words they complained about the cost?

WALLSTROEM: They complained, yes, sort of industry's argument.

FREEMAN: Isn't this true that of all political issues that can be broken down into benefits, who pays, in this case the chemical industries says, "Well, if everyone is going to benefit, why not let everyone pay, why should we pay?"

WALLSTROEM: But of course, it will be put on the price of chemicals, so in the end, consumers will have to pay - also for this. But there is already a cost of not controlling these chemicals. Do you know what it cost that so many people get cancers, allergies, asthma from chemicals, we know, we can calculate. And we also know that the health benefits by far outweigh the cost of such a reform, but that doesn't count in the same way. It doesn't carry the same weight as this sort of real cost that we can put on testing and what each and every test cost. But you really have to look at the broader picture; there are already heavy costs to society of not controlling the effects on environment and human health.

JENKINS: So you've done a cost benefits and analysis - on how many of these chemicals – not on all 30,000?

WALLSTROEM: Yes, we have. Well, we've been looking at the whole system and what would that cost in terms of testing and registration etc. And if we present less than 0.10% of the annual turn-over of the chemical industry, is that reasonable? Is it too costly or how do we measure it?

JENKINS: And in terms of the cost, it's associated with medical cost that you're describing and dealing with the allergies and what have you – how do you that compare?

WALLSTROEM: Well, it compares...I mean as I said, we have done very conservative in calculations on the health benefits and still with the help of the World Health Organization, still by far, they outweigh... I mean they are more ten times higher than the actual cost of this report.

PRICE: You talked about the health benefits; you think there's anything that the consumers can do then to promote this kind of ideas, this kind of legislation that they are the ones ultimately affected?"

WALLSTROEM: Absolutely. They should ask for more information; what kind of chemicals are there in this particular product? And I think most people do not realize that we in our daily lives, we are subject to all of these chemicals, in our food, in our clothes, in our furniture, in our mobile phone, in our jogging suit, in everything we use. We have these cocktail of chemicals and the fact is, we know very little about very few of these chemicals. We do not know enough about the so-called cocktail effect of them. So people should just start to ask for more information, and I am sure there are so many downstream users and form a medium-sized type of enterprises who really need to know, who want to know, because they want to put a user safe label on their product.

JENKINS: Are they been telling you that?

WALLSTROEM: Yes. They have finally come out to say that we have long asked for this, we need this, because we want to know what kind of chemicals, and if there are dangers involve in handling these chemicals.

FREEMAN: Washington has made very clear that it doesn't like this proposal, anyone that likes the field of protocol. Is there a chance for Europe to do this on its own?

WALLSTROEM: Yes. We can do our chemicals reform and we will. Because this proposal is now finalizing the Commission in extent to the other European institutions that you know, we have European Parliament and we also have a council in which consist of the ministers from the many states and they will decide on this proposal. But of course, we've made sure that it is compatible with trade rule, etc. But I think that we are not doing it alone because this is happening also in other countries, they have to look at the most hazardous substances because we see that there are so many back sides of these chemicals and they are trying all over the world to phase out the use of the most hazardous ones; those are carcinogenic, mutagenic, they accumulate in our bodies and in the environment.

JENKINS: The big political issue in this country is of course the war on terror, it's the issue some people say it's pull us everything else up, is there any connection you can make, in

other words, can you suggest that this program also would provide you with a better way of monitoring the movement of chemicals that might be used as weapons? We know that the war in Iraq was just applied on a basis of weapons of mass destruction, chemical weapons is one of them.

WALLSTROEM: I think that was taken too far, I mean, we have to work internationally in fighting terrorism and we of course have to track the movement of whatever materials are use for terrorist's attack but I don't want to connect that to this. But I think that for all of us, it's a good help to know more, to close this knowledge gap as I said, and also to reverse the burden of proof which is one of the objectives of this; because now, it's for the authorities to prove that something is dangerous, it's not for the manufacturers to prove that it is not dangerous or that we know how to manage the risk involve.

PRICE: What about the implementation? What about ensuring that this actually carried out?

WALLSTROEM: That's what we're working on now so we're following up on in particular, the effects and what small and medium size enterprises have to do. Because most big companies and big producers, they are already involved in looking at security and safety issues on chemicals but now we are looking at particularly the cost of the said, going into more details and working with small and medium size enterprises. We are preparing for an agency that will handle also the data, etc...

FREEMAN: What sort of timeline you're looking at for, how long the industry would have to comply with such....

WALLSTROEM: I have ceased guessing about the timing of it but we are still hoping that from 2006 and on we could start to implement it but maybe about over New York domestic, because parliament will have to start working on it only from this autumn.

JENKINS: We talked about the resistance in Washington, what about in other major industrialized nations, particularly for example in Asia. I'm thinking of Japan where I recall major scandals in the past; of release of Mercury for example in [clean] environment. The Japanese may be more conscious than anybody else of the potential devastating effects of chemicals given into the food stream. What's their position? Are you getting support from elsewhere?

WALLSTROEM: Well, it's the same kind of the concerns, and the same kind of questions because they want to make sure that this is a balance approach that it is not killing off industry and at the same time to ensure a high level of protection of health and the environment. Because they have, we all have... it's a global concern that this is happening, that we see so many bad effects as well of chemicals. Most of them, I hope, and wish is, they are

harmless and we can continue to use them, but we have to get rid of the most hazardous ones and this was going on all over the world; for the Japanese, the Canadians and others are also worried about this and they are doing a job to screen and scrutinize these most hazardous ones. So it starts by making that priority, and I was just lost about that, we look at high volume and high risk chemicals first.

JENKINS: I want to pull off on that then, first let me remind our viewers that this is **World Chronicle**, and we're talking to Margot Wallstroem, the Commissioner for the Environment for the European Union.

You basically said that Europe is going to set the example, is going to lead the way and other nations will have to follow because they're exporters of chemicals, we're going to have to pull them with your regime. Jack was talking earlier about the resistance of the United States, not just to this issue but to all environmental issues, the fact that they have rejected the Kyoto Treaty that promise to come up with an alternative but they haven't yet. How much does it concern you – that the country which after all this... the major producer of environmental pollutants, be it CO2 whatever, is not taking a leadership role on this issue?

WALLSTROEM: I want to be fair to the Bush administration to say that not on everything, I mean the things we've been mostly concerned with, is of course a climate change and the fact that we have not been able to work in a multilateral context with the US on climate change, and they withdraw from the Kyoto Protocol. That is a concern of ours, and also on chemicals we do not have the same approach but I think on other issues we are really trying to work together, and I think the EPA have taken several initiatives that we are learning from. But this is of course...we regret it very much in Europe because traditionally, historically, we do have a lot in common, we worked together, we're trading with each other, so we ought to be on the same line and we regret the fact that the US seems to be withdrawing from several of these multilateral approaches to important human and health issues.

FREEMAN: What sort of cooperation are you giving for developing countries? Developing countries traditionally look upon any sort of regulation as of this sort of regulation as conditionality?

JENKINS: So, I must start with...we're hearing increasingly these days of the effects of rapid industrialization in China; the damage it's doing to the environment there, and again the concern that you have of these pollutants and chemicals giving into the food stream?

WALLSTROEM: But again the best way to deal with that huge challenge of the big countries like China and India and their quick, rapid economic development, also leading toward environmental degradation and the right way to deal with that is within the multilateral context within the UN framework or in sort of the different fora we have, where we just sit down

and discuss what roles to play by, and have to work for the future – that's what we've done with Kyoto. That's the best way to get them involve and to have a true debate on these issues, but of course we also have bilateral context and try to work with them directly.

JENKINS: Multilateralism is a dirty word in this country, remember?

WALLSTROEM: Well, that is exactly what we regret a lot and I think this doesn't help us to find global solutions to real global problems. I mean, can you imagine any of the better examples of the global problem than climate change? And we know that it doesn't matter if the CO2 emissions or the green house gas emission come from Sweden or from Kuala Lumpur or from Boston. I mean, this is really the threat of it.

JENKINS: We also have to breathe the same air?

WALLSTROEM: Yes.

PRICE: It doesn't mean we are going to...the ultimate cause for the developing world is that...well it's all very well for your opponent to say that kind of thing, they've been polluting for years and years, and they develop themselves to certain level. Why should we have to control our green house gases or probably our chemicals now? Is there any way that you look at, bring in legislation that, "That's okay, you can have more of a leeway, or you can have more time, giving the very different circumstances, giving the fact that they are trying to improve industrial growth, economic growth?"

WALLSTROEM: I visited china just recently. And that the news of course, china has realizes that the over-all goal of quadrupling their economy by 2020. The risk of environmental catastrophe is also looming, so, they have to take action on environment... in protecting the environment, so they have also rather vicious program for protecting the environment. And of course when it comes to climate change, I think they are right in saying, "Well, you and the rich part of the world, you have most of these green house gas emissions, you have to stop". I think this is legitimate, we should accept that. But, the thing is also if they don't do anything in China and India, they will soon be the biggest emitters; so that's why we need to get them on-board and that's exactly what's the aim of having a second commitment period where we discuss also with these countries, with the poorest countries. So what can you do – and how should we determine what your over-all target should be? Should we have it clear with commitment as for the first period, under the Kyoto Protocol or how should we expect it? But it's the only...sort of platform we have for discussing such targets also for them.

FREEMAN: The Chinese have another problem, which world has been dealing with it for a long time, which people being force to offer land by reforms and agriculture. And of course, they would say that the subsidies, the agriculture subsidies paid by the European countries and the US are largely to blame. What's happening on that front?

WALLSTROEM: Well, we are on the constant attack..(laughter)..I think rightly so, for a lot of these substances, which are subsidies, which are...sort of now outdated and with the fix that we don't want in Europe either. So we are slowly, too slow, many would say but we are reforming also our common agriculture policy and our common fisheries policy because this is necessary in order to create a sort of better trade relations and trade condition. And this is also done under the WTO of course, where trading concession takes place, but this has so since a long time, formed a part of these talks; difficult talks often.

JENKINS: We're talking about the time it takes, how bad is the situation? How much should we be speeding things up, how much should we worry? I have a friend for example who assures me that if we don't get a grip on these environment wishes, in the next few years there's a chance that mankind could cease to exist in a hundred years time.

WALLSTROEM: I am not very fond of these catastrophe scenarios. I think it just leaves the people with the feeling of not knowing what to do and with the despair. And I think this is not right, so unfortunately, many of these doom mongering people have actually been proven wrong. In saying that, you know, natural resources are running out and all of these things, so their credibility is not the highest. I hope that there is a position in between those who say that catastrophes are coming in few years and those who say "Hakona Matata", you know, don't worry – no worries. And I think in between, to realize the big threats and the serious trends and at the same time realize what has been achieved, because a lot is happening. And talk to the people here in the UN, in these meetings and you will see that so many things are done on the ground even if we wished for more ambitious agenda.

JENKINS: You know the Pentagon has a war game strategy that they drawn up of the potential consequences of global warming 15 years from now. They're talking about civil wars, major wars, and huge migrations from Northern Europe down to Mediterranean and similar migration movements in the rest of the world, people fleeing from the Caribbean as sea level rise; that sounds like a fairly critical scenario and this is something that the Pentagon is saying, "Well, possibly this could happen in 15-20 years down the line". That sounds to me like a fairly short window of opportunity to get a grip on these things.

WALLSTROEM: Yes, but the thing is, you know, what's the timeline for this? And of course I think the human being seemed to be...have a difficulty in being really engage in what will happen in 50 or maybe 100 years to come, so I think that is the problem; we don't know exactly when this could be realized. But we already have a climate change, we already experiencing a climate change, and I think those who have been exposed to forest fires, floods, storms, tornadoes as in the US. I mean you have a record number of tornadoes in the US, they

know that something is happening and they will understand from what the climate experts tell us that this, we will see much more if climate change continues.

JENKINS: I don't know if you seen the thriller for the Hollywood movie that's going to be coming out pretty soon after we take the show release by 20th Century Fox; it shows a nightmare scenario of sudden climate change, tornadoes ripping apart Los Angeles, snow storms pounding New Delhi, hale the size of grape fruit landing on Tokyo, and in New York, the temperature swings from sub-tropical one day to a snow storm the next day. How realistic are these scenarios in your mind?

WALLSTROEM: I couldn't judge, I mean...I guess we will have to trust what sort of the climate change experts tell us.

JENKINS: About Hollywood?

WALLSTROEM: No, I don't think we should trust Hollywood but of course it's maybe a sort of a grateful subject to do films on that. But I really think that we could listen to what the 2000 leading experts on climate that has been put together in the international panel of climate change for telling us and in 3 reports they've said, "Climate change is happening, it is man made and we can do something about it".

PRICE: How important it is if you give it to balance... I mean we've been talking about controls, about legislation, cutting back on green house gases, how important is it to balance that with alternatives, I mean, such as renewable energy? Should that be where the energy is of...literary the energy is being concentrated or is it to stop people, you know, cut back on your cars, stop eating up all the oil?

WALLSTROEM: I guess we need a mix of all these policy instruments, but of course, I hope that we will invest in something that people will sees is good for us and which is also represents business opportunities; I think that's the most effective way of doing...making policies and that's a paradox also of our times that we are actually in Europe now starting a mission's treaty which was introduce and propose by Bush Sr. once upon a time when the discussions from the Kyoto Protocol started. So we'll make full use of these market based instruments and incentives.

JENKINS: It worked?

WALLSTROEM: We hope so, we think so.

JENKINS: Margot Wallstroem, we don't have much time left but before you go, there's one question I have to ask you because I read about you in the press, are you planning to be the next prime minister of Sweden?

WALLSTROEM: No, absolutely not. We have a prime minister and I am not a candidate to that.

JENKINS: Why not?

WALLSTROEM: No, definitely not. This is not on the agenda; I'm just hoping to be able to continue to do a good job where I am.

JENKINS: How long do you plan on sticking on these environmental issues?

WALLSTROEM: Well, my mandate expands on the first of November this year then we will see, I told my government at home that if they would like me to continue I would be happy to do so, I find it meaningful and interesting and exciting.

JENKINS: Margot Wallstroem, thank you very much for being with us on this edition of **World Chronicle**. Our guest has been the European Union's Commissioner for the Environment, Margot Wallstroem. She was interviewed by Susannah Price of the BBC, and Jack Freeman of The Earth Times.

I'm Tony Jenkins. Thank you for joining us, we invite you to be with us for the next edition of **World Chronicle**.

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