



JOINT INDUSTRY STATEMENT ON HARMONIZED CLASSIFICATION AND LABELLING (CLH) PROPOSAL FOR LITHIUM SALTS

Following the publication of the RAC opinion suggesting a Category 1A classification of lithium carbonate, lithium chloride and lithium hydroxide, the industrial associations representing manufacturers of batteries ceramic frits and complex inorganic color pigments, lubricants and greases, vehicles, want to express their concerns about the justification and validity of that position. An unjustified 1A classification could impact severely investments in Europe's lithium value chain with consequences for the achievement of key Green Deal objectives. We therefore collectively call on the Commission to refrain from including a 1A classification for lithium carbonate, lithium chloride and lithium hydroxide in the ATP proposal.

Our industries, representing manufacturers of batteries, ceramic frits and complex inorganic color pigments, lubricants and greases, vehicles, want to express their concern on the opinion published by the Committee for Risk Assessment (RAC) to classify lithium carbonate, lithium chloride and lithium hydroxide¹. The three lithium salts are used in several applications produced by diverse EU industries, including:

- Batteries
- Grease thickener for lubricants used in several applications (wind power turbines, etc)
- Ceramic frits and complex inorganic color pigments
- Specialty glass (cooktop stoves, electronic device covers)
- Pharma (i.e., for mood disorder treatment)
- Breathing gas purification systems (including oxygen purification for treating Covid-19)
- Building products for insulation

¹ Repr. 1A H360FD and Lactation H362

The three lithium salts are fundamental elements for the production of rechargeable lithium-ion batteries, rechargeable nickel-based batteries and primary lithium batteries. They are therefore fundamental and irreplaceable building blocks for the shift to electric mobility, the integration of renewables in the energy mix and more generally the achievement of the Green Deal objectives.

In particular, the proposed classification of these lithium salts represents an obstacle to the achievement of the objectives of the Strategic Action Plan on Batteries², which has identified batteries development, production and recycling as a strategic imperative for Europe. The Strategic Action Plan on Batteries estimated an EU battery market worth up to EUR 250 billion a year, served by at least 10 to 20 Gigafactories. Additional investments will be needed on lithium conversion plants and battery recycling facilities on European soil so as to ensure Europe's strategic autonomy in key steps of the battery value chain. The proposed classification will also represent an obstacle to the material recovery targets on lithium included in the draft proposal for the battery legislation.

Furthermore, lithium hydroxide is used as a raw material for the production of thickeners for lubricating greases, making up around 70% of the grease market. Lubricants and greases are often designed for specific use conditions and obstacles to the use of lithium-based greases would potentially result in a move to less efficient lubricants, impacting on energy uses downstream and equipment life-span, contradicting the European Green Deal initiatives.

In light of the absolute importance of the three lithium salts, a careful approach based on sound scientific evidence should be the basis for any decision on the classification of the salts. In this context, we note that the conclusion reached by the RAC committee was questioned also by a minority opinion to the RAC opinion. The minority opinion remarks on the uncertainties related to the read across from lithium carbonate to lithium hydroxide and overall the lack of robust evidence to classify the three salts as category 1A, concluding that “instead of cat 1 classification, cat 2 for both fertility and development should be considered”.

The undersigned downstream users do not have the required knowledge and expertise to provide additional relevant information and data into the discussion related to the proposed classification. However, downstream users wish to point out the importance of Lithium compounds for the successful transformation of the EU automobile industry towards e-mobility and the achievements of the Green Deal objectives. Downstream users therefore urge the European Commission and members states to carefully consider the points mentioned in this letter and to assess the possible consequences of the proposed CLP classification, so that to take the appropriate decision based on a sound scientific evidence.

Given the contradiction of available scientific information, the importance of lithium compounds for the different battery technologies and for other applications and the fact that lithium has been identified by the European Commission as a Critical Raw Material, we advise against proceeding to a 1A classification which would result in **excessive and unjustified burdens for the European value chains of industries using lithium salts**. The proposed classification will trigger unclear risk management measures and create uncertainties on the very medium- and long-term possibility of using and managing lithium salts in refining, manufacturing and recycling of products. These legal uncertainties represent a deterrent to any decision related to investments in Europe for every product where the lithium salts are used, from batteries to lubricants and greases, breathing gas purification systems, building products for insulation, ceramics and pigments, pharmacological treatment, specialty glass, and more.

² https://eur-lex.europa.eu/resource.html?uri=cellar:0e8b694e-59b5-11e8-ab41-01aa75ed71a1.0003.02/DOC_3&format=PDF

We therefore call on the European Commission to refrain from including a 1A classification for lithium carbonate, lithium chloride and lithium hydroxide in the ATP proposal.

*The **European Automobile Manufacturers' Association (ACEA)** represents the 16 major Europe-based car, van, truck and bus makers: BMW Group, DAF Trucks, Daimler Truck, Ferrari, Ford of Europe, Honda Motor Europe, Hyundai Motor Europe, Iveco Group, Jaguar Land Rover, Mercedes-Benz, Renault Group, Stellantis, Toyota Motor Europe, Volkswagen Group, Volvo Cars, and Volvo Group. Visit www.acea.auto for more information about ACEA, and follow us on www.twitter.com/ACEA_auto or www.linkedin.com/company/ACEA/*

***ATIEL** is a non-profit association (ASBL) representing the combined knowledge and experience of leading European and international engine oil manufacturers and marketers. Through its members' combined knowledge and experience, it develops scientifically sound guidelines, best practices and standards to key technical, environmental and quality issues that benefit all stakeholders, manufacturers, end-users and the lubricants industry. ATIEL promotes the availability of superior quality products in the marketplace - www.atiel.eu*

***AVERE** is the only European association representing and advocating for electromobility on behalf of the industry, academia, and EV users at both EU and national levels. Our membership consists of National Associations supporting the use of Electric Vehicles and electromobility across Europe, as well as a variety of companies ranging from carmakers to charging operators. We currently have active members in over 20 European countries, and, via our association members, indirectly represent around 2.400 industry members and over 100.000 EV users.*

*The **EPBA** advocates the portable power solutions of its members working with regulators, NGOs and other stakeholders to create an environment of harmonized and fair legislation so costumers may enjoy efficient and safe batteries to be conveniently used and recycled.*

*The **European REACH Grease Thickeners Consortium (ERGTC)**, <http://www.ergtc.co.uk/> was founded in 2008 under the umbrella of the European Lubricating Grease Institute (ELGI, <https://www.elgi.org/>). The consortium was set up with the aim of assisting companies with the joint aspects of their registrations under EU REACH and covers three types of grease thickener substances: simple metal salts, complex salts and polyureas. The members of the consortium are manufacturers of grease thickener substances and usually also formulators of lubricating greases as the thickeners are viscosity regulators which are typically produced in situ in base oil. Lubricating greases are of significant economic importance, being designed to reduce friction, thus reduce wear and reduce energy consumption.*

EUROBAT is the leading association for European automotive and industrial battery manufacturers, covering all battery technologies, and has more than 50 members. The members and staff work with all policymakers, industry stakeholders, NGOs and media to highlight the important role batteries play for decarbonised mobility and energy systems as well as all other numerous applications.

Frit Consortium (www.fritconsortium.eu) was created on June 10th, 2009 under the legal form of a European Economic Interest Grouping (EEIG), with headquarters in Castellón, Spain; with the clear goals of i) complying jointly with the requirements of the REACH Regulation for the registration of the substance frits, chemicals (EC 266-047-6, CAS 65997-18-4) and ii) supporting our members for the correct implementation of the EU-REACH requirements. Currently 34 companies are part of the Consortium, plus some of their Affiliates, grouping the major European manufacturers-importers of frits. The Frit Consortium members collaborate in order to comply jointly with the requirements of the REACH and CLP Regulations of substance frits, chemicals (EC 266-047-6, CAS 65997-18-4).

The **Inorganic Pigment Consortium** (www.ipconsortium.eu) was created on July 10, 2008 under the legal form of an European Economic Interest Grouping (EEIG), with headquarters in Castellón, Spain. The purpose of the IP Consortium is to jointly comply with the legal obligations related to the EU REACH and CLP Regulations for complex inorganic pigments. The Inorganic Pigments Consortium has 25 member companies, grouping the major manufacturers and importers of complex inorganic pigments in the European Union.

RECHARGE is the European industry association for advanced rechargeable and lithium batteries. Founded in 1998, it is our mission to promote advanced rechargeable batteries as a key technology that will contribute to a more empowered, sustainable and circular economy by enabling decarbonised electricity and mobility, and cutting-edge consumer products. RECHARGE's unique membership covers all aspects of the advanced rechargeable battery value chain: From suppliers of primary and secondary raw materials, to battery and original equipment manufacturers (OEMs), to logistic partners and battery recyclers. www.rechargebatteries.org.