

# Position Paper on the Proposal for Ecodesign for Sustainable Products Regulation

ISOPA, the Association of Diisocyanates and Polyols Producers, shares the vision of a Circular Economy and is committed to the Chemicals Strategy for Sustainability. We welcome the opportunity to provide comments feeding into the upcoming Ecodesign Sustainable Products Regulation (ESPR), formerly known as the Sustainable Products Initiative (SPI). As the ESPR outlines actions to restrict the presence of chemicals in products, ISOPA has prepared general recommendations to policymakers to offer the vision of the diisocyanates industry and to participate in improving the products environmental performance along their life cycle.

### Disclosure of chemical substances

We invite policymakers to take a **holistic approach** in the development of new legislation. It is important to avoid addressing the same issues with several initiatives and contradictions between existing and upcoming legislation and tools. It is important that legislators work with a clear scope and do not 'reinvent the wheel'.

Only chemical substances that are actually included in the **finished product** and that can affect circular flows should be taken into account and not process chemicals required during manufacture. For example, in the case of polyurethanes manufacturing, diisocyanates are reacting with polyols and are not present in the finished product. Process chemicals and how they are handled fall under other legislation that regulates safety in the workplace.

## **Digital Product Passport**

We ask policymakers to consider the **complexity of value chains** and of the sectors when developing the product passports. Although these tools have a large potential to drive circularity, they should be based on existing legislation and schemes and must **not become an administrative burden**. Product passports should have a pragmatic approach and only provide information that is important and useful for the intended receiver or target operation. It is important to consider making a differentiation between compulsory and voluntary information.

# **Access Rights and Confidential Business Information**

The creation of a Digital Product Passport raises the issue of access rights and confidential business information. ISOPA believes that it is imperative to define **tailor made access rights** for the digital product passport. In particular, we support the option of **controlled material disclosure** over full material disclosure in order to protect confidential business information.

## **Environmental Footprint**

We support the idea to foster the LCA approach within the ESPR but want to point out that there are enormous difficulties to calculate it due to the **lack of availably of data** along the value chains. Another problem that the legislators might face concerns the **control of LCA data from imports** in the EU. As aforementioned, it is important that legislators do not address the same issue twice, as this type of information is already required with the concept of Safe and Sustainable-by-Design.



### **Transition Period**

We invite policymakers to grant flexibility to the sector's companies to adapt to new requirements during a reasonable **transition period**, as well as to find the technical solutions for established policy goals and their own way to contribute to circularity. There is no one-size-fits-all solution. It is important to ensure that no additional and unreasonable administrative burden is placed on the polyurethane industry, which is mainly composed of **SMEs** and microenterprises. Companies' sustainability agendas are largely market-driven and not primarily by legislation, therefore legislation should be applied with caution and only in the case of market failures. The desire to operate in a responsible way is a main driver, too.

**ISOPA** represents major European manufacturers of aromatic diisocyanates and polyols, the main raw materials used to make polyurethanes. More information on diisocyanates, their applications and ISOPA's product stewardship initiatives can be found on the <u>ISOPA website</u>.