

## Pollution

# EU ban on forever chemicals would hit bloc's green transition, warns top industry boss

### Chemours chief joins chipmakers in publicly pushing back against bloc's proposal to restrict use of PFAS variants

CHENG TING-FANG AND PEGGY HOLLINGER — NEW YORK

Europe will sabotage its chances of developing a green economy if it pushes ahead with proposals to ban so-called forever chemicals on health and safety grounds, the chief executive of one of the world's leading chemical companies has warned.

Mark Newman, head of Delaware-based Chemours, said "the race to decarbonise through hydrogen is going to be thwarted" if the EU decided to ban a class of high-performance, long-lasting fluoropolymers known as PFAS. "You can't have electric vehicles without fluoropolymers, you can't have semiconductors," he added.

These synthetic chemicals are used in millions of applications from non-stick cookware to textiles, batteries and smartphones. The chemical industry argues that their strong resistance to water, oil, temperature and corrosion makes them indispensable to many green technologies.

However, the molecules do not break down easily and accumulate over time in humans and in the environment. Studies have linked several variants to slow foetal and baby growth, kidney cancer and other health problems. The substances have been found in the blood of 97 per cent of Americans, according to the US government.

Newman is one of the first senior chemicals executives to push back publicly against the EU proposal to

restrict the use of all variants of PFAS, roughly 10,000 different chemical compounds.

"It's really amazing to me that we would think of walking away from a group of chemistries . . . that enables the green economy." Such a decision would direct investment out of the bloc, and "deindustrialise" Europe, he said.

The ban would be particularly detrimental to Chemours, owner of the Teflon brand and one of the world's leading PFAS producers. The company derives roughly a quarter of sales and ebitda from the division producing these materials.

The health and environmental risks surrounding the chemicals have meant that chemicals companies are facing a rising tide of litigation. BASF saw an 83 per cent rise in legal cases, while Clariant, the Swiss chemicals company, has been named as a defendant in about 1,000 US PFAS lawsuits, UBS analysts said in a recent note.

Spun out of DuPont in 2015, in large part to safeguard the parent company against PFAS liabilities, Chemours is facing several lawsuits in the US over the compounds.

The EU's proposed ban, led by Germany and the Netherlands, is several years in the making and considered to be the most radical chemical legislation ever proposed.

Last month, the EU opened a

six-month consultation on the proposals, while investors have also been calling for an end to the use of the chemicals. Many US states are moving to limit the use of PFAS as well.

Newman told the FT he believed that a ban on all PFAS variants would be "unenforceable . . . Are you going to take apart everything at the border and look for fluoropolymer?"

The prospect of a wholesale ban has sparked deep concern in the semiconductor industry, where fluoropolymers are critical to the manufacture of the most advanced chips.

Newman said that in many cases there was no near-term alternative to these highly resistant compounds. "Are you willing to wait another 20 years for an alternative, when one may not exist?" he said.

Instead it was possible to manufacture the compounds more safely, preventing emissions of the molecules into the environment, and to dispose of products properly at the end of life, he said.

"We could have a hydrogen [industry] today and manufacture [PFAS] responsibly," he said.

Chemours has invested \$75mn-\$100mn every year since 2018 to prevent PFAS emissions into the air and water and would continue that level of spending, Newman said. The company aimed to reduce emissions by 99 per cent before 2030.