

July 13, 2022

Christina Paradiso
Executive Director Chemicals Management, Environmental Protection Branch
Department of the Environment
351 Saint-Joseph Boulevard, Gatineau, Quebec K1A 0H3
Via Email: ec.interdiction-prohibition.ec@ec.gc.ca

Re: Notice of Objection and Request for Board of Review in relation to proposed regulations* prohibiting the manufacture, use, sale and import of decabromodiphenyl ethane (DBDPE, CAS Registry Number 84852-53-9)

**Canada Gazette, Part I, Volume 156, Number 20 – May 14, 2022: Prohibition of Certain Toxic Substances Regulations, 2022*

Dear Ms. Paradiso:

Hyundai Auto Canada Corp. (“Hyundai”), which includes Genesis Motors Canada, is taking the extraordinary step of submitting this Notice of Objection to the regulatory proposal published in the Canada Gazette on May 14th, 2022 which includes, amongst the proposed amendments to the Prohibition of Certain Toxic Substances Regulations, highly targeted measures against the manufacture, use, sale and import of DBDPE.

Hyundai notes the proposed risk management measures as set out in the proposed Prohibition of Certain Toxic Substances Regulations, 2022 (the “draft Regulation”) for DBDPE are not replicated elsewhere in the world, and far exceed anything thus far proposed in terms of banning of the substance from manufacture and commerce. The automotive industry, including Hyundai, has made a consistent effort over the past three plus years to inform the department of the critical importance of this substance; DBDPE is a vital and broadly used additive to many materials in use in automobiles and automotive parts and provides protection from fire to drivers and occupants in hundreds of millions of vehicles worldwide.

Proposed restrictions on the other named substances notwithstanding, Hyundai considers the measures concerning DBDPE to be wholly incompatible with the current state of its broad global usage. Hyundai’s primary concerns, which underpin the filing of this Notice of Objection, and the resulting request for formation of a Board of Review to thoroughly assess the risks posed by the appropriateness of the respective proposed amendments affecting DBDPE, are outlined below:

1. Potential for severe negative impact to public safety as a result of the lack of available substitutes:

- DBDPE serves an essential function by controlling the flammability of the products where it is used and therefore saves lives.
 - DBDPE is used extensively in wiring, tape adhesives, seat foams, and lacquer on labels and cables, which affects thousands of parts per vehicle. The need for a fully validated and capable fire retardant is immutable.
 - To address the elimination of DBDPE requires extensive validation of a multitude of regulations, durability studies and performance criteria for each and every part number affected in each and every vehicle for each and every manufacturer.
2. Insufficient timelines to develop, qualify and implement potential substitutes in sufficient volume to address broad scope of applications:
- Each manufacturer has thousands of parts affected by the proposed regulations. There are, at present, no other acceptable alternatives to DBDPE that offer the necessary level of performance characteristics.
 - The timelines for qualifying substitute candidates on a part-by-part basis for integration into production plans of new models and, critically, existing models, uniquely for the Canadian market is estimated at 15-years, well in excess of the proposed timing.
3. Proposed permitting process is not adequate to address lack of viable alternatives to DBDPE:
- The proposed permitting process is not workable for the automotive industry due to the sheer number of parts affected, associated burden and the fact that they OEMs would not be able to use this mechanism for the purpose of additional development time (per ECCC consultation).
4. Trade and supply-chain disruption arising from global non-alignment caused by decision to pursue independent Risk Management measures:
- Automobile manufacturers operate in a global regulatory environment. The scope of use of DBDPE in the industry is such that it cannot be substituted across the global supply chain without a substantial lead time for new parts.
 - The Canada-US-Mexico Agreement obliges parties to the agreement to not introduce unnecessary barriers to trade, but to make efforts to align risk-assessment methodologies and risk management measures for chemical substances.
 - At present, the United States Environmental Protection Agency (U.S. EPA) is not proposing either Risk Assessment or Risk Management of DBDPE.
 - The Stockholm Convention on Persistent Organic Pollutants is similarly absent of DBDPE with respect to the chemicals listed in its Annexes.

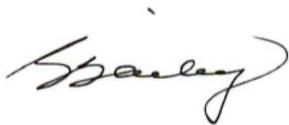
Hyundai is greatly concerned with the proposed regulatory Risk Management measures for DBDPE. It is not sufficient for the Department to simply “hope” that industry will come up with a viable alternative to DBDPE, while putting an effective end to its use over a very short timeline in the context of vehicle development cycles. Automobiles are highly complex manufactured items. Under CEPA 1999, as the industry has made clear on many previous occasions, there is a responsibility on the part of the government to ensure that industry has viable alternatives to use that will allow them to fulfill ALL of their regulatory obligations.

Given the current lack of available alternatives for DBDPE and unknown costs of compliance with the regulatory proposal, we urge the Department to revise its risk management approach in regulating DBDPE to, first, engage other jurisdictions in global-focused chemicals management approach and, secondly, ensure the industry has adequate time to work with its supply chain partners to properly develop and implement workable alternatives.

We thank you for your consideration of the arguments set out above and add that we are fully supportive of the more extensive submission by the Global Automakers of Canada (GAC).

We request that the Minister appoint a Board of Review to inquire into the risks posed by DBDPE and the appropriateness of the respective proposed amendments to the PCTSRs.

Sincerely,



Geof Bailey
Safety and Compliance Officer
Hyundai Automotive Canada Corp.