

COMMENTS ON THE 1 SEPTEMBER 2006 DRAFT UNEP REPORT
“SUMMARY OF SUPPLY, TRADE AND DEMAND INFORMATION ON MERCURY”
BY THE ZERO MERCURY WORKING GROUP¹
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Introduction

The Zero Mercury Working Group appreciates the opportunity to comment on the 1 September 2006 draft UNEP Report, “Summary of Supply, Trade and Demand Information on Mercury,” written in response to the UNEP Governing Council 23/9. While the Zero Mercury Working Group, together with the Natural Resources Defense Council, generally find the draft UNEP Report to be both helpful and informative, we have input in several areas and, in particular, question the conservative estimates for addressing global supply and demand reduction of mercury that appear to illustrate problems with addressing one or the other rather than both. To remedy this, the Working Group strongly recommends that the final UNEP report add in several future global supply and demand reduction scenarios. This could help foster discussions at the upcoming UNEP Governing Council meeting regarding the projected pace of global mercury supply and demand reduction as well as provide an explanation of the importance of pursuing global supply and demand reductions for mercury simultaneously.

Comments

Specific Zero Mercury Working Group comments on the draft report are as follows:

Executive Summary

Paragraph 4. The first Key Observation on page 12, highlighting the lack of trade data which would produce a complete picture of the global trade flows of mercury, is very important and should be moved up or summarized in the initial comments on page 3, as another sentence in point 4, and read as follows. “Better monitoring on a country by country basis worldwide would provide more complete information on import and export quantities of mercury crucial to understanding overall trade patterns.”

Paragraph 11. Text from paragraph 239 should be summarized in this paragraph to read as follows: “A hierarchy of use reduction would identify primary mercury mining first, followed by mercury recovered from decommissioned and closed chlor-alkali plants and other inventories such as mercury stockpiles. For continuing interim use, by product and mercury recycled from wastes and products would be ‘preferred’ sources since, without collection, much of this mercury would immediately be released into the environment.”

¹ The Zero Mercury Working Group, www.zeromercury.org, is an international coalition of more than 40 public interest non-governmental organizations from around the world formed in 2005 by the European Environmental Bureau and the Mercury Policy Project. The aim of the group is to reach “Zero’ emissions, demand and supply of mercury, from all sources we can control, towards eliminating mercury in the environment at the national level and globally.”

5.3 Future demand

Paragraph 207. Based on current trends, an increasing reduction in global mercury demand can be expected. In many cases, mercury-free alternatives are economically advantageous. Sectors including batteries, electrical products, and measuring devices; dental use; and chlor-alkali facilities represent the greatest potential for short and mid-term declines because the alternative mercury-free technologies or products are readily available and are of equal or better quality compared to those utilizing mercury. A further reduction in global mercury demand can therefore reasonably be expected to occur over the short and mid-terms and should be included in the Report.

Paragraph 208. Artisanal and small-scale gold mining – The UNIDO Global Mercury Project (GMP) estimates that between 30% to 50% of the total amounts (800-1100 mt) annually used in SSGM are not necessary and discontinued use would not adversely affect gold production by miners. Therefore, the Report should identify this opportunity to significantly curtail consumption in this area over the next ten years and incorporate it into a future global mercury reduction scenario. Also, the Report should also acknowledge that, according to UNIDO GMP, in 10% of cases, sources are alluvial (free gold) and mercury-free alternatives are viable. When barriers are removed, according to UNIDO GMP, the percentage of cases where mercury-free processing is possible is much higher.

Paragraph 209. A tightening of mercury supplies can result in price increases, potential reductions in demand and better management of the existing mercury. When the mercury supply grows tight, experience has shown that the market price for mercury will soon rise. Therefore, the Report should reflect that economic signals remain, at least for now, the most effective means for changing SSGM behavior.

Paragraph 210. Chlor-alkali production – The draft Report correctly identifies financial incentives as an important ingredient to encouraging the transition of this sector (par. 22), yet does not appear to consider the possible effects of applying such incentives to this sector in a more systematic or comprehensive way, which in turn could lead more quickly to greater reductions. In addition, more mercury demand reductions can also be made through reducing emissions from chlor-alkali plants. Mercury emissions to air and water from European chlor-alkali plants have decreased by more than 95 % in just two decades. In the plants where replacement cannot be completed in the near future, mercury emissions should nevertheless be mitigated, employing experiences from Europe and elsewhere to reduce or eliminate fugitive emissions. In combination with retorting waste produced, mercury consumption by the chlor-alkali sector could easily be reduced by 95% by 2017 and the Report should reflect this potential when discussing future global demand reduction projections.

Paragraph 211. Batteries –With USA manufacturers already committed to producing only mercury-free button cell batteries by 2011, the only unknown is when manufacturers in the EU, China, and Japan will follow suit. Given the highly competitive nature of battery manufacturers, the likely regulatory pressures that will be placed on this sector, and China's active consideration of new standards for this product, it is reasonable to predict

that the major battery manufacturers will make this transition by 2015, thus reducing annual mercury consumption for this sector to significantly less than 100 MT. Experiences from North America and Europe demonstrated a reduction of more than 90% in less than a decade after the national authorities there banned Hg use in most batteries. Moreover, with UNEP and global encouragement, major manufacturers would reasonably reach this reduction target by 2012 and this reduction scenario should be incorporated into the Report.

Paragraph 212. Dental uses –Aesthetic considerations favoring mercury-free tooth fillings will gradually come on the market in an ever-increasing number of countries, which together with environmental and health considerations will significantly reduce dental mercury use by 2015. This is further supported by the fact that the price advantage of amalgam fillings is relatively small and in fact negative when all costs associated with mercury amalgam are included. These factors should be reflected in the Report.

Paragraph 213. Measuring and control devices – Given the reductions in use of mercury-containing measuring and control devices already underway in some European Union (EU) countries, through state legislation in the USA, and a proposed draft European Commission Directive to phase out the sale and use, a conservative estimate would project a reduction in mercury use in this category by 50% worldwide by 2015. A more aggressive approach could reach 90% reduction in this sector by 2015, considering that mercury-free alternatives are presently sold in parallel with mercury-containing instruments at the same price and the often minimal transition costs to mercury-free devices.

Paragraph 215. Electrical and electronic equipment – Future demand reduction for this sector will be larger and earlier than indicated in the draft Report. The impact of the RoHS is assumed to be significant within the EU-25, reducing the mercury content in electrical and electronic equipment to near zero by 2010. The impact of this and similar legislation restricting the use of mercury in electrical and electronic devices may be even more significant than the reductions of mercury in measuring and control devices, especially through 2010, with a continued, but more gradual, reduction likely after 2010. The EU RoHS will have a global effect. It will impact multinational corporations selling into the EU, and China and other key countries will develop similar legislation over the next several years. Therefore, mercury-free electronic equipment, with few exceptions, will be the global norm by 2010, thus mercury demand for this sector should be no more than 50 metric tonnes by 2012.

Paragraph 218. Other uses – A sentence should be added to this paragraph as follows. “Legislation against selling newly developed products with mercury has been introduced in Sweden and will increasingly be implemented elsewhere as more nations move to eliminate all mercury uses.”

Paragraph 219. It is important to present a second example pertaining to supply reduction to highlight a recent trend in the EU, as presented in the following statement. “A reduction in the supply of mercury resulted from both the closure of the Almaden mine in Spain and a reduction in quantities of mercury exported by EU traders. Due to increased public

awareness, EU traders increasingly appear to prefer to deal with buyers for whom the end use of mercury is clear and “legitimate” (e.g. they prefer not to knowingly sell mercury for ASGM, skin lightening creams, etc.) Both of these changes have likely contributed to the decrease in mercury exports from the EU, especially since 2003.”

NEW REFERENCES

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