

The European Chemical Industry at a crossroad: competitiveness at the top of the policy agenda



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Environmental Day Conference

Tallinn, 2 October 2024

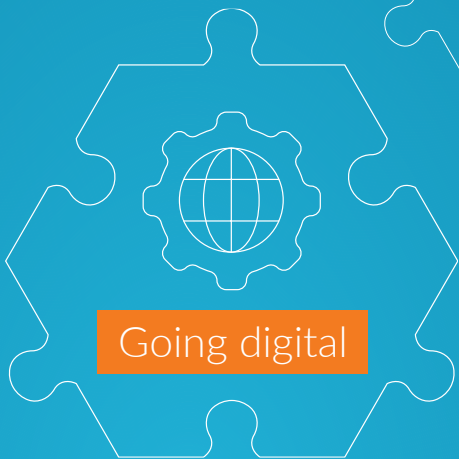
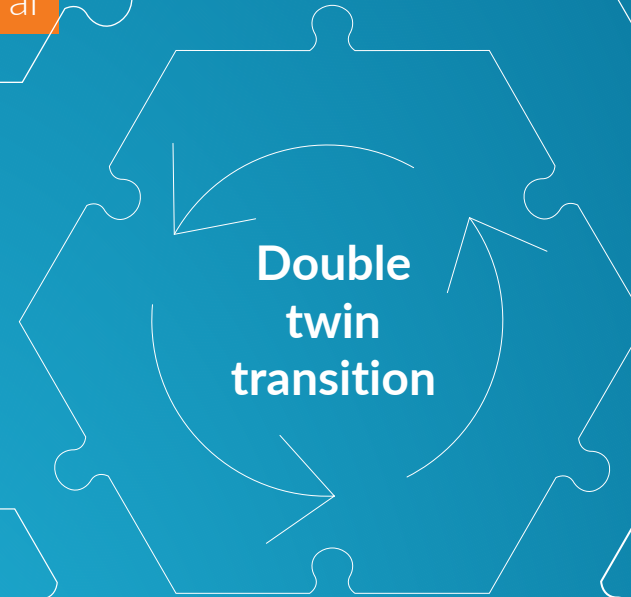
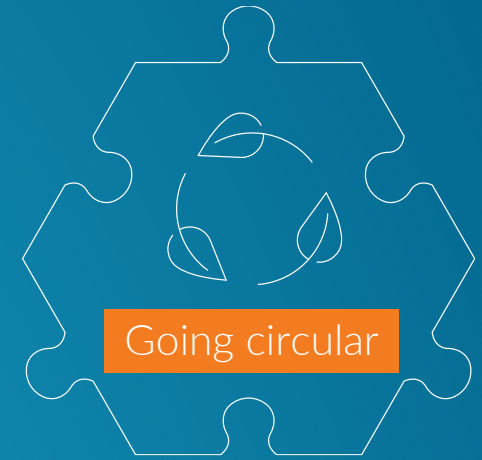
The European Chemical Industry Council, AISBL – Rue Belliard, 40 - 1040 Brussels – Belgium
Transparency Register n°64879142323-90



Our industry was one of the first to support the EU Green Deal.

We have the ambition to go climate neutral by 2050.

In just 30 years, our industry will have to change not only **how** we produce but also **what** we produce



EU27 Chemical Industry

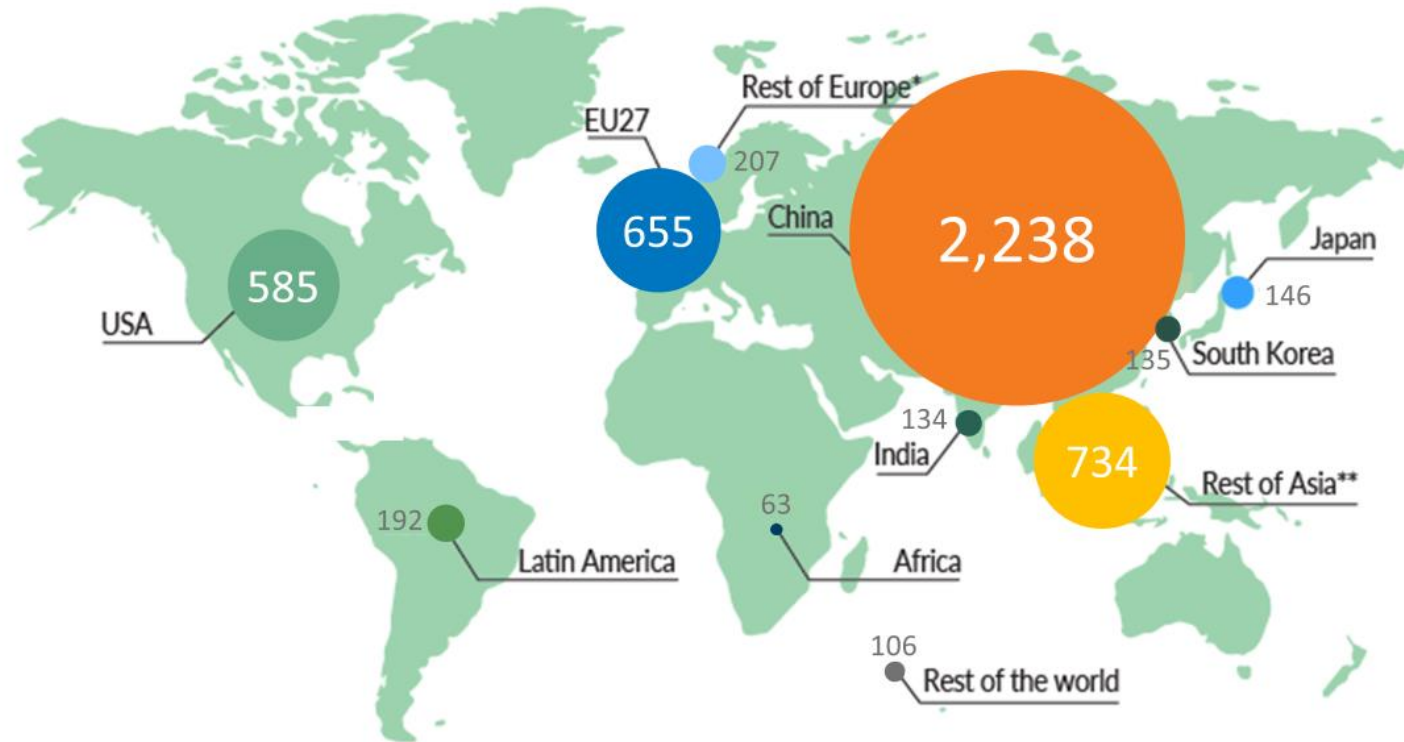


Latest economic developments



Europe is the second-largest chemicals producer in the world

World chemicals sales (2023; €5,195 bn)



Source: Cefic Chemdata International

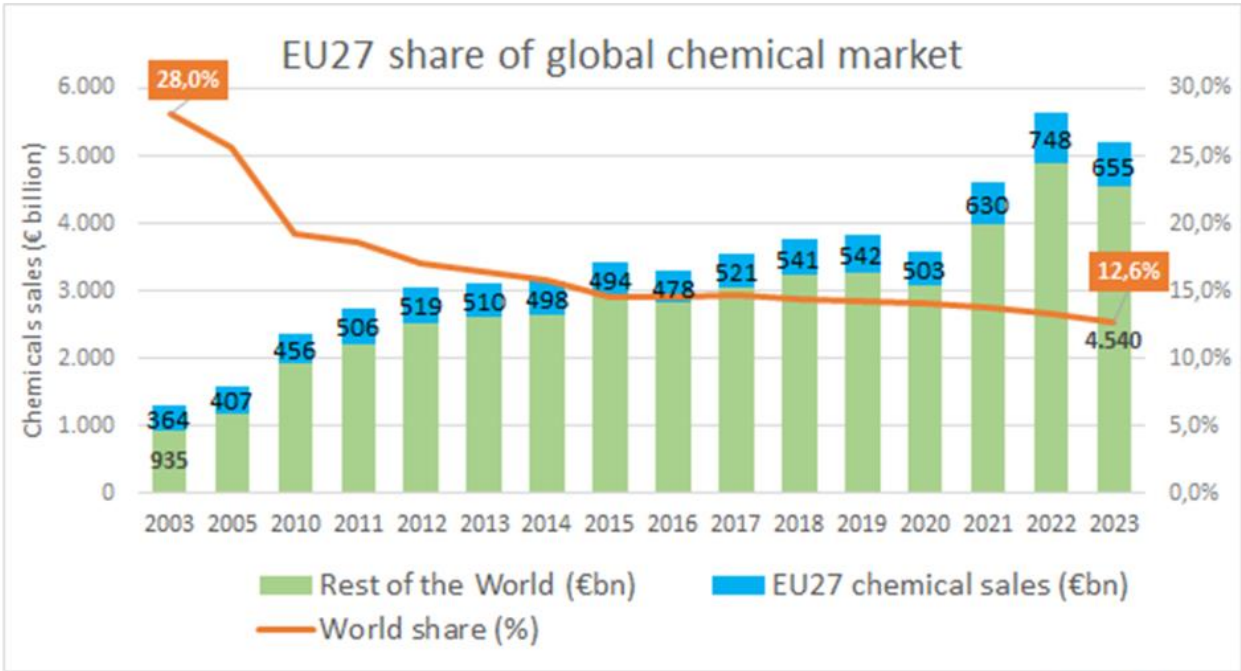
* Rest of Europe covers UK, Switzerland, Norway, Türkiye, Russia and Ukraine

** Asia excluding China, India, Japan and South Korea

but Europe is still a net exporter of chemicals



World market share of EU27 chemical sales drops



Global market share of Europe more than halved in 20 years



Source: Chemdata International and Cefic Analysis 2024

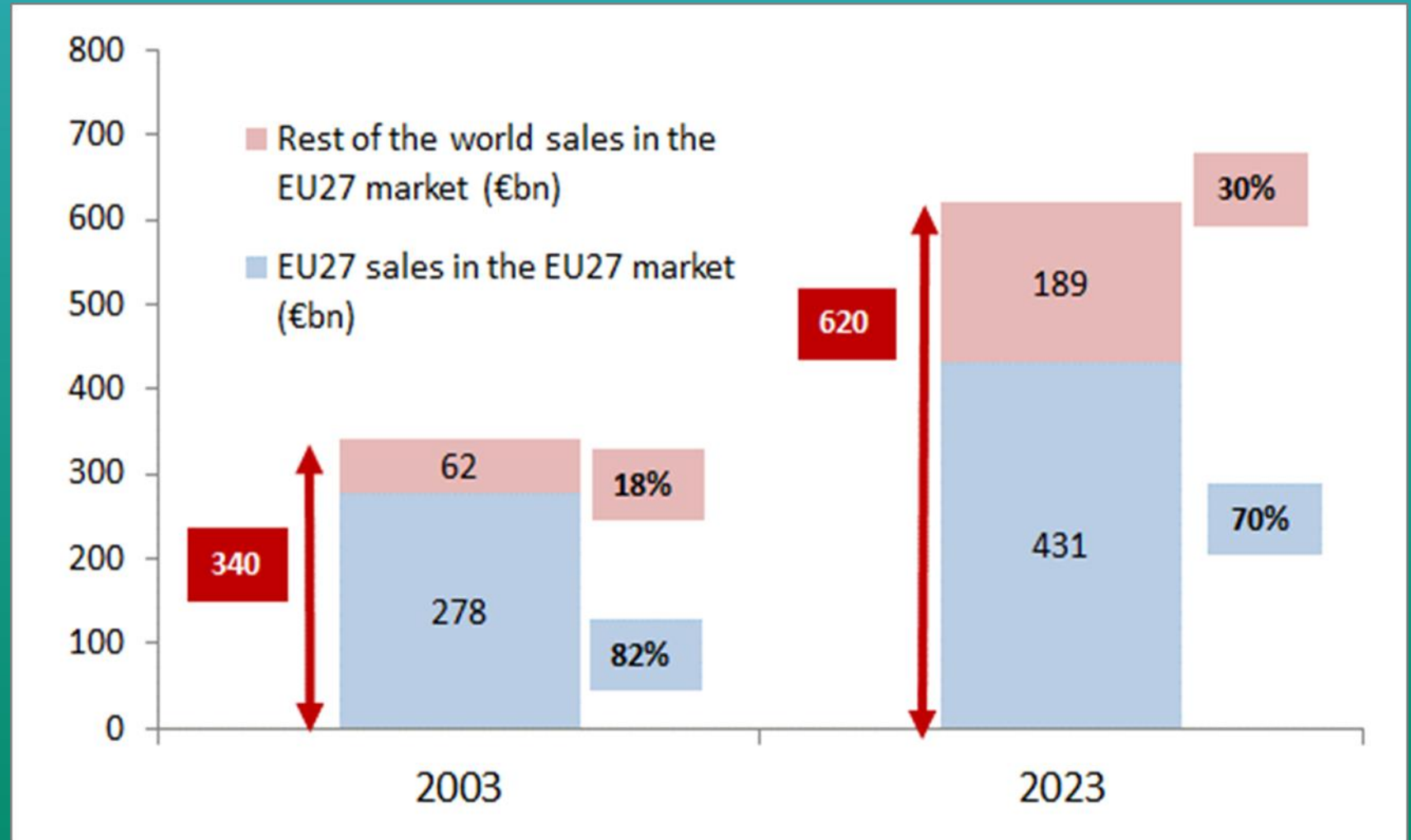


Chemicals made in Europe are losing share in the EU27 domestic market

Domestic market share:

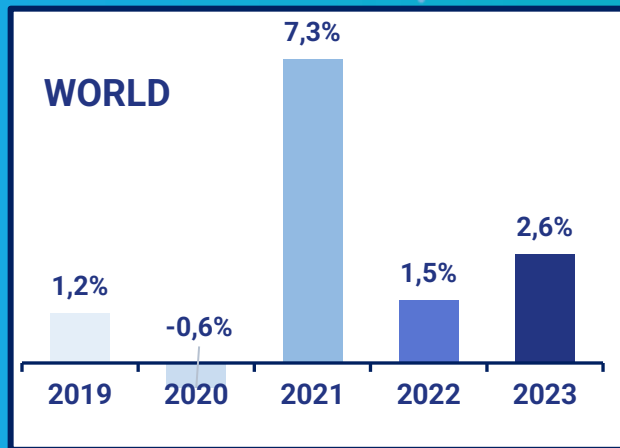
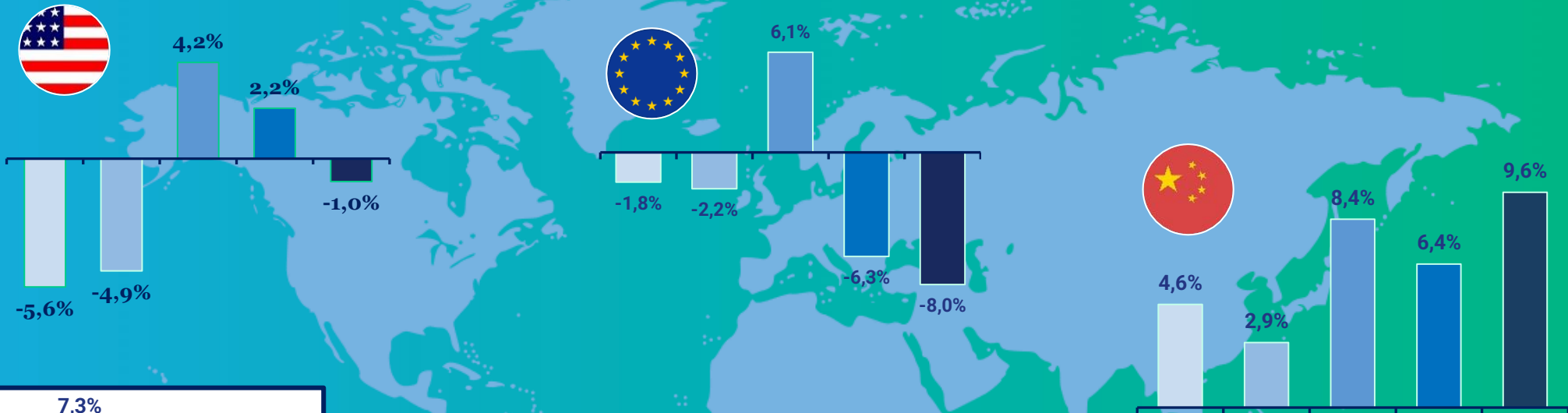
Chemicals made in Europe losing share in the domestic EU27 market over the past years (from 82% in 2003 to 70% in 2023)

Import intensity: 30% of EU27 chemicals consumption is attributable to non-EU27 imports, far above the 18% generated in 2003.



In a recovering global market, the European chemical production declines sharply

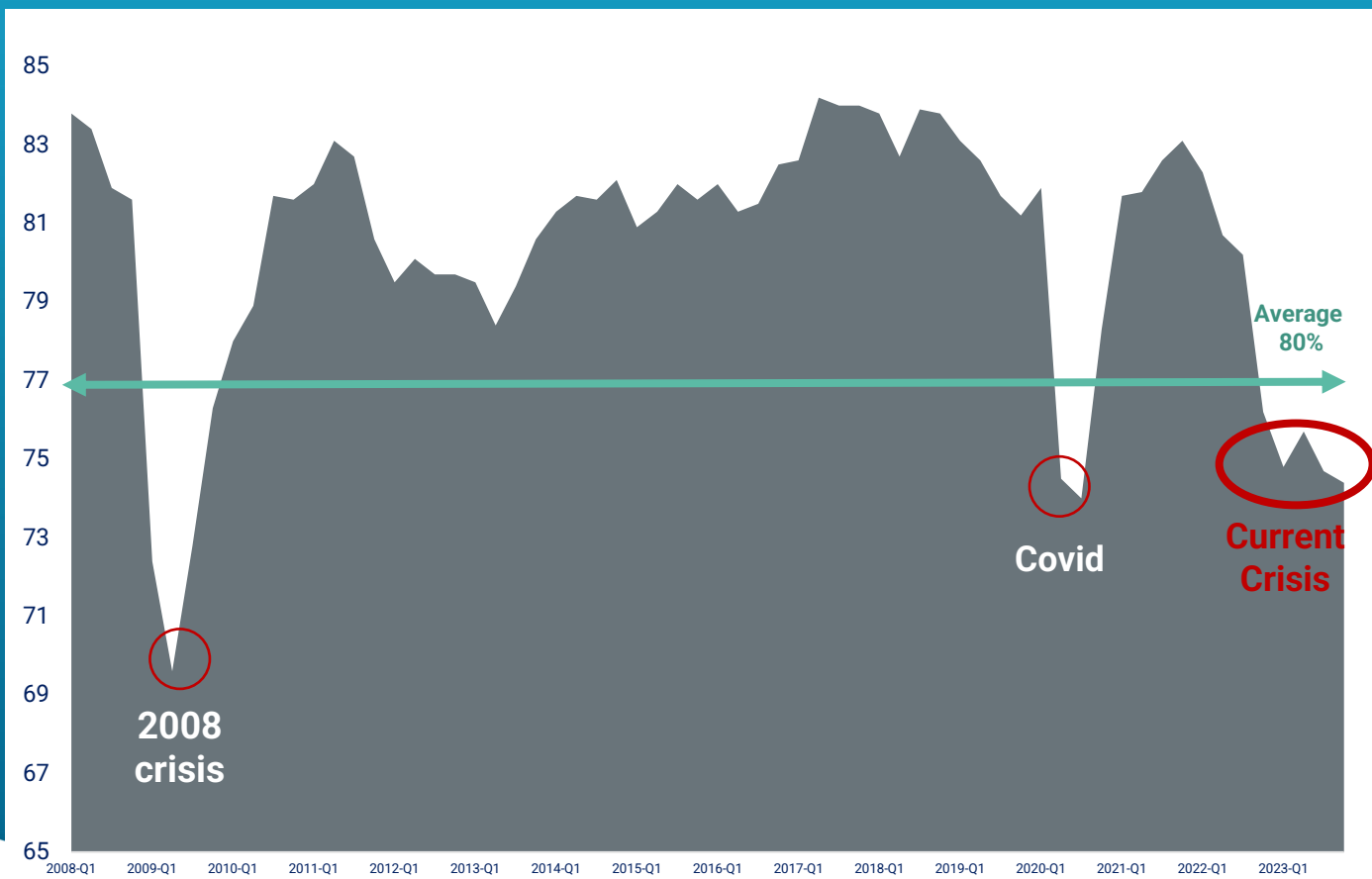
Annual production evolution, in volume



Sources : Eurostat, Cefic

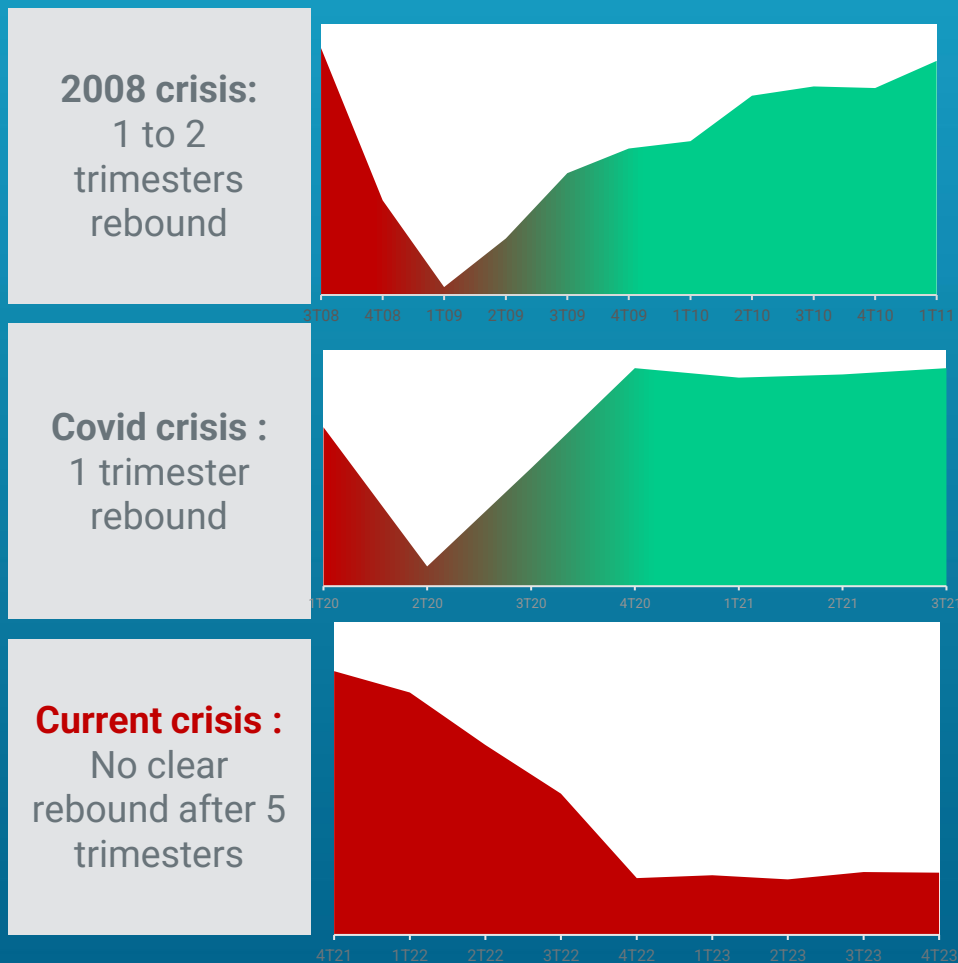
This crisis is unprecedented in terms of length

Capacity utilisation rate of the European chemical sector (%)



Illustrative evolution of utilization rate in recent crisis

Base 2008-2011, 2020-2021, 2021-aujourd'hui



We need a comprehensive, integrated industrial policy package

Costs ↗↗



Energy
Administrative/regulatory
Raw materials
Labour



Sustainable
production

Sustainable
products



Demand ↘



Innovate &
Invest ↗↗↗



The Antwerp Declaration



European Industry Summit 2024 **be**
EU



Declaration website

[The Antwerp Declaration for a European Industrial Deal \(antwerp-declaration.eu\)](https://antwerp-declaration.eu)



The screenshot shows the homepage of the Antwerp Declaration website. The header includes the logo and navigation links: "Antwerp Dialogues", "Reference documents", "Signatories", "Get Involved", and a "CONTACT US" button. The main content area features the title "The Antwerp Declaration for a European Industrial Deal" and a call to action: "The call for a business case for investments in Europe is supported by: 1278 organisations | 25 sectors".

Politico 16/05/24

“FROM ANTWERP DECLARATION TO DIALOGUES: The [Antwerp Declaration](#) was, by Brussels standards, the smash hit of the season.”



The Antwerp Declaration for a European Industrial Deal

*The Antwerp Declaration calls to support the **business case for investments in Europe, to complement the EU Green Deal goals and safeguard quality jobs in Europe.***

01

Put the Industrial Deal at the core of the new European Strategic Agenda for 2024-2029.

02

Include a strong public funding chapter with a Clean Tech Deployment Fund

03

Make Europe a globally competitive provider of energy.

04

Focus on the infrastructure Europe needs.

05

Increase the EU's raw materials security

06

Boost demand for net zero, low carbon and circular products.

07

Leverage, enforce, revive and improve the Single Market

08

Make the innovation framework smarter

09

A new spirit of law-making.

10

Ensure the structure allows to achieve result



European Council – Strategic Agenda 2024-2029

The strategic agenda sets the EU's priorities and its strategic orientations for the institutional cycle 2024-2029. As such, it guides the work of the EU institutions.



A prosperous and competitive Europe

- A deeper **single market**, notably for energy, finance and telecom
- reduce the **bureaucratic and regulatory burden** at all levels, and simplify, accelerate and digitise administrative procedures
- significant **collective investment efforts**
- ambitious, robust, open and sustainable **trade policy**
- reduced harmful dependencies, and diversified and secure **strategic supply chains**

*“We will build up our own capacity in sensitive sectors and key technologies [..], such as defence, space, artificial intelligence, quantum technologies, semiconductors, 5G/6G, **health**, biotechnologies, net-zero technologies, mobility, **pharmaceuticals, chemicals and advanced materials.**”*



The “Draghi Report”

“avoid a slow agony”

“for the first time since the Cold War, we must genuinely fear for our self-preservation”

Statement: Cefic Truly Welcomes The Draghi Report

The future of European competitiveness

Part A | A competitiveness strategy for Europe

SEPTEMBER 2024



Includes nearly 200 policy proposals



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EUROPE'S CHOICE

Political Guidelines for the next European Commission 2024-2029



Key pillars for the next European Commission

Ursula von der Leyen's political guidelines

1

A new plan for Europe's sustainable prosperity and competitiveness

2

A new era for European Defence and Security

3

Supporting people, strengthening our societies and our social model

4

Sustaining our quality of life: food security, water and nature

5

Protecting our democracy, upholding our values

6

A global Europe: Leveraging our power and partnerships

7

Delivering together and preparing our Union for the future



1

A new plan for Europe's sustainable prosperity and competitiveness

Some of the measures announced under this pillar

1. Making business easier

- Reduce administrative burden and simplify legislation
- Single Market
- Competition policy
- SME & competitiveness check

1. Making business easier

2. A Clean Industrial Deal

3. A more circular and resilient economy

4. Boosting productivity with digital tech diffusion

5. Putting research and innovation at the heart of our economy

6. Turbo charging investments

7. Tackling the skills and labour gaps

5. Putting R&I at the heart of our economy

- European Biotech Act
- Increase research spending

2. A Clean Industrial Deal – in the first 100 days of the mandate

- Implement the Green Deal
- Bring down energy prices
- Industrial Decarb. Accelerator Act
- Invest in clean energy infrastructure
- Access to energy & raw materials

3. A more circular and resilient economy

Chemicals Industry Package incl REACH and PFAS

- Critical Medicines Act
- Circular Economy Act

6. Turbo charging investments

- Public investment to leverage and de-risk private capital for clean and strategic tech investment
- Revision of Public Procurement Directive
- European Competitiveness Fund (support IPCEIs)
- CMU





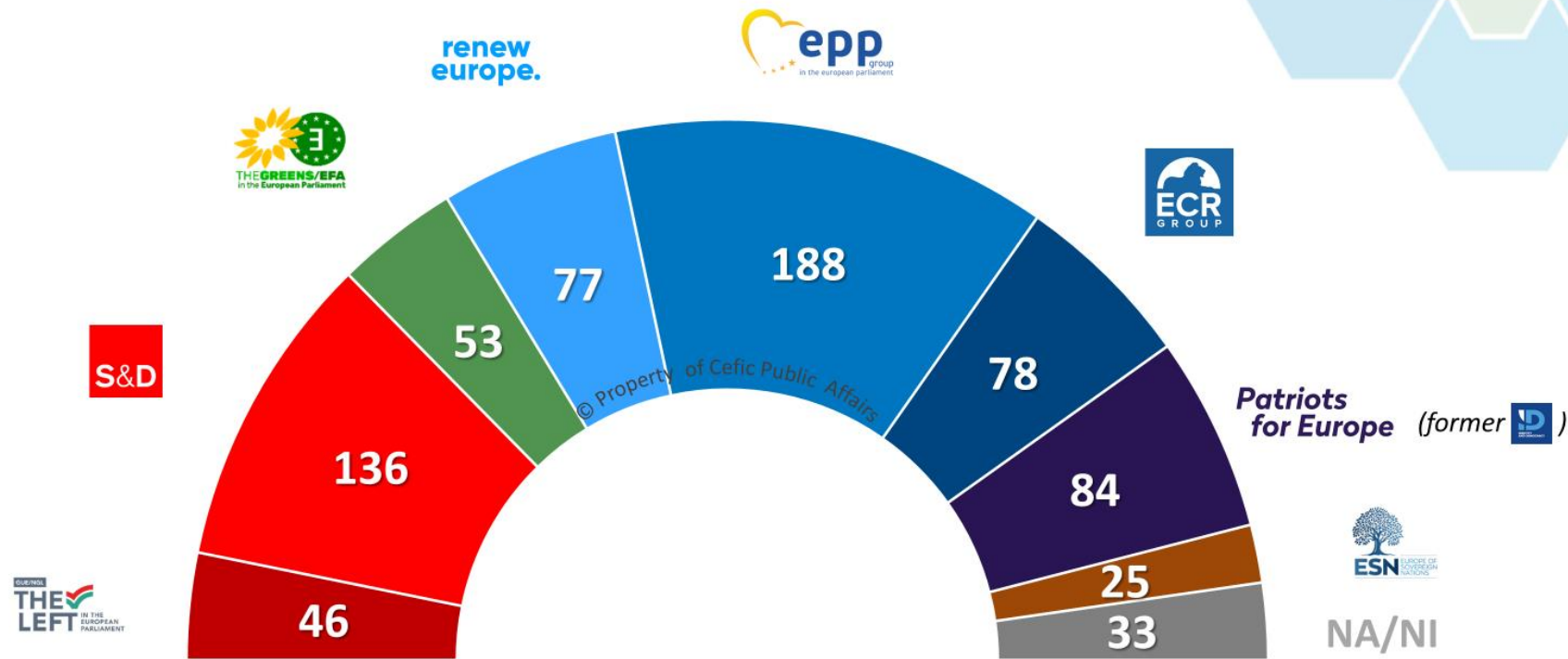
Recent EU political developments



Composition of the new European Parliament

720 newly elected MEPs are split into 8 different political groups

Composition based on data from 2 September 2024



Commissioner-designates pending hearings

- Each candidate received a Mission letter
- New Commission, new approach

The priorities set in the Political Guidelines are **connected and impact each other**. Every member of the College will be equal and has the responsibility to **deliver and cooperate** across their portfolio in the spirit of **collegiality**



What about chemicals legislation?




REACH Revision?



EUROPE'S CHOICE

POLITICAL GUIDELINES
FOR THE NEXT EUROPEAN COMMISSION
2024–2029

Ursula von der Leyen
Candidate for the European Commission President



We will put forward a new **chemicals industry package**, aiming to simplify **REACH** and provide clarity on “forever chemicals”, or PFAS.

A more circular and resilient economy



Thank you



About Cefic

Cefic, the European Chemical Industry Council, founded in 1972, is the voice of large, medium and small chemical companies across Europe, which provide 1.1 million jobs and account for 15% of world chemicals production. Cefic members form one of the most active networks of the business community, complemented by partnerships with industry associations representing various sectors in the value chain. A full list of our members is available on the Cefic website.

Cefic is an active member of the International Council of Chemical Associations (ICCA), which represents chemical manufacturers and producers all over the world and seeks to strengthen existing cooperation with global organisations such as UNEP and the OECD to improve chemicals management worldwide.



Time for a European single market ‘with teeth’ to take on China, India, leaders told

Former Italian Prime Minister Enrico Letta tells POLITICO that government subsidies should become a “European tool”

The future of Europe is made with industry.

It's time for a European

#IndustrialDeal

Will you join us? >

antwerp-declaration.eu

