

Director General

Mr Karmenu Vella  
Commissioner  
European Commission  
rue de la Loi, 200  
BE – 1040 Brussels

24 October 2014

Dear Commissioner,

**Re: Invitation to meet CEOs of the European Chemical Industry**

First of all, please accept my congratulations on your appointment to the new Commission and my sincere wishes for every success to your mission.

Cefic is the organisation which represents the European Chemical Industry based here in Brussels. Our industry is very diverse both in products, their use and in the size of the manufacturing enterprises. With an annual turnover of €558 billion, 17.8% share of the world market and a trade surplus of €49.2 billion we are a vital component of European manufacturing industry. However our competitiveness is under severe pressure with our share of the global market and our trade surplus falling in recent years. Investment has also fallen since 2008.

These are issues which need to be discussed with EU policy makers as a matter of extreme urgency and on behalf of our President Mr Jean-Pierre Clamadieu I invite you to meet our Executive Committee comprising thirteen CEOs and industry leaders from the major European chemicals companies during a window of opportunity from 16:30 on 3<sup>rd</sup> December through to the evening of 4<sup>th</sup> December 2014 when they will all be in Brussels to meet. As the Executive Committee only meets in Brussels twice a year this is a rare opportunity to arrange these face to face meetings.

I hope you will agree that it is vital that CEOs have the opportunity to explain to you first-hand what our concerns on returning Europe to a leading industrial power are and for you to guide us on what hurdles you face in achieving real progress on the Jobs and Growth agenda which is central to President Junker's stated aims for the new Commission. We are eager to establish the common ground from which we can work in a co-operative manner to achieve our common objective of a competitive Europe!

The chief executives who will be present for the proposed meeting are:

- Mr Jean-Pierre Clamadieu, Cefic President and Chairman of the Executive Committee and CEO Solvay Group, Belgium
- Mr Tony Bastock, Cefic Vice President and Group Managing Director Contract Chemicals, UK
- Mr Kurt Bock, Immediate Past President Cefic and CEO BASF, Germany

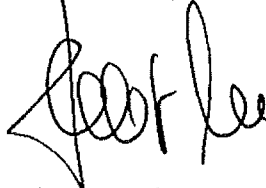


- Mr Neil Chapman, Cefic Executive and Board member, Vice President of ExxonMobil Chemical Company, US
- Mr Tom Crotty, Cefic Executive and Board member, Director INEOS Oxide Ltd
- Mr Heinz Haller, Cefic Executive and Board member, Executive Vice President and Chief Commercial Officer, President Dow Europe
- Mr Ian Hudson, Cefic Executive and Board member, President DuPont EMEA and DuPont de Nemours International SA Geneva
- Mr Michael König, Cefic Executive and Board member, Board of Management BAYER AG
- Mr Hariolf Kottmann, Cefic Executive and Board member, CEO Clariant International Ltd
- Mr Bhavesh Patel, Cefic Executive and Board member, Senior Vice President, Olefins & Polyolefins – Europe, Asia and International, LyondellBasell Industries
- Mr Patrick Pouyanné, Cefic Executive and Board member, CEO Total
- Mr Rudolf Staudigl, Cefic Executive and Board member, Executive Board Member, Wacker Chemie AG
- Mr Graham van't Hoff, Cefic Executive and Board member, Executive Vice-President, Shell Chemicals

In organising the meeting we suggest meeting in or in close proximity to the Berlaymont building and are available for either dinner on the 3<sup>rd</sup> December, breakfast or lunch on 4<sup>th</sup> December or any time in between to fit into your schedule.

We look forward to receiving a positive response from you in due course after which my office will arrange the details with your own staff.

Yours sincerely,



Hubert Mandery



From: [Aurore.Maillet@ec.europa.eu](mailto:Aurore.Maillet@ec.europa.eu) [mailto:[Aurore.Maillet@ec.europa.eu](mailto:Aurore.Maillet@ec.europa.eu)]

Sent: mercredi 5 novembre 2014 17:30

To: "omissis"

Cc: [Anne.Mueller@ec.europa.eu](mailto:Anne.Mueller@ec.europa.eu); [Patrick.COSTELLO@ec.europa.eu](mailto:Patrick.COSTELLO@ec.europa.eu); [Anne.Mueller@ec.europa.eu](mailto:Anne.Mueller@ec.europa.eu)

Subject: RE: Invitation to meet CEOs of the chemical industry

Dear "omissis"

I am replying to your request on behalf of Patrick Costello and am happy to inform you that Commissioner Vella has answered positively to your invitation to meet the CEFIC CEOs. The Commissioner is available on 4th of December, and would be available at lunchtime. I would be very grateful if you or your colleagues could get back to me rapidly in order to further discuss practical arrangements. I am available at +32 22961814.

Best regards,

Aurore Maillet

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Aurore MAILLET  
European Commission  
Cabinet of Commissioner Vella  
Office: BERL 8/255  
Tel.: +32-2-295.01.17  
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From: "omissis" On Behalf Of MANDERY Hubert

Sent: Monday, October 27, 2014 11:26 AM

To: VELLA Karmenu (COMM-DES)

Cc: COSTELLO Patrick (COMM-DES); "omissis" ; STEEL Alistair; "omissis" Subject: Invitation to meet CEOs of the chemical industry

Dear Commissioner,

Please find in attachment an invitation to meet CEOs of the chemical industry on 3 or 4 December 2014.

Your sincerely,

Hubert Mandery  
Director General  
Tel: +32 2 676 72 00  
Fax: +32 2 676 73 10

Cefic (European Chemical Industry Council)  
Avenue E. Van Nieuwenhuysse 4  
B - 1160 Brussels  
<http://www.cefic.org>

**From:** "omissis"  
**Sent:** Wednesday, December 03, 2014 11:26 AM  
**To:** MAILLET Aurore (CAB-VELLA)  
**Cc:** "omissis"  
**Subject:** FW: meeting with Commissioner Vella

Dear Ms Maillet,

Further to your mail to my colleague, please find attached the list of participants and their biographies.

I apologise for not having sent this earlier, which was due to an internal misunderstanding.

Please do not hesitate should you wish further information.

Kind regards,

"omissis"

## Meeting with Commissioner Karmenu Vella

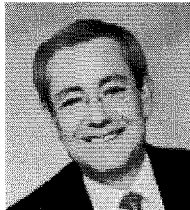
4 December 2014 – 11.00-12.00 hrs – Newhotel Charlemagne

### List of Participants

BASTOCK Tony	Contract Chemicals / UK
BROUHNS Alexis	Solvay / BE
CLAMADIEU Jean-Pierre	Solvay / BE
HALLER Heinz	Dow / CH
HUDSON Ian	DuPont International / CH
MANDERY Hubert	Cefic
KOTTMANN Hariolf	Clariant / CH
SAUQUET Philippe	Total / FR
STEEL Alistair	Cefic
STAUDIGL Rudolf	Wacker-Chemie / DE

## Cefic Executive Committee Members - Biographies

### **Jean-Pierre Clamadieu, Solvay | President of Cefic**

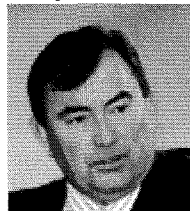


Before Solvay and Rhodia merged in September 2011, Jean-Pierre Clamadieu was CEO of the Rhodia Group, from October 2003, and Chairman of its Board of Directors, from March 2008. Between 1993 and 2003 he held several executive positions in Rhodia and its predecessor company Rhône-Poulenc, as President of Rhodia Chemicals Latin America, President of the Eco Services Business, Senior Vice-President Corporate Purchasing and President of the Pharmaceuticals & Agrochemicals Division.

Earlier in his career, he worked for nine years in various positions within the French Civil Service. He graduated with honours from the Ecole Nationale Supérieure des Mines de Paris, a leading higher education institute.

Jean-Pierre Clamadieu is Chairman of the Sustainable Development Commission of the French business association MEDEF as well as Chairman of the Franco-Brazilian Business Council of the International MEDEF. He is also Vice-President of the Cefic and member of the Board of Directors of the ICCA (International Council of Chemical Associations).

### **Tony Bastock, Contract Chemicals | Cefic Vice-President**



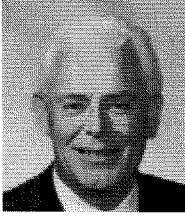
In October 2005, Tony Bastock was elected Chairman of the ABM Group of companies in Cefic (the 450 Cefic companies with < Euros 1 billion turnover). He is also a member of the Cefic Board and Executive Committee. He also holds the position of Chair of the UK National Authority Advisory Committee on Chemical Weapons.

He is a Past-President of the UK Chemical Industries Association, a CIA Council Member and Co-Chair of the Supply Chain Leadership Group working with the British Retail Consortium. He has led trade missions to Japan, Korea, Russia, USA, Czech Republic, Poland and several Western European countries.

He has considerable research interests including green chemistry, environmentally friendly catalysis and chiral halogenation processes.

Other interests include science education, especially at primary and secondary levels and he is Chair of the Catalyst Museum Trust, which supports hands-on, interactive, science-based projects with schools in the North West

**Heinz Haller, Dow**



Heinz Haller joined Dow in 1980 as a sales representative in Horgen, Switzerland and developed his career in several marketing and commercial roles across many Dow businesses including Emulsion Polymers, Specialty Chemicals and Chlorinated Solvents.

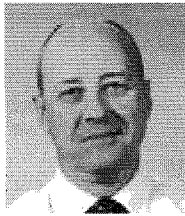
In 1994, Haller left Dow and joined the chemical distribution company, Plüss-Staufer AG, as Managing Director, a position he held for five years before being appointed Chief Executive Officer of Red Bull Sauber AG and Sauber Petronas Engineering AG. In 2002, he moved to Allianz Capital Partners GmbH as one of the company's Managing Directors and remained there for four years until he rejoined Dow.

Haller returned to Dow in 2006 and assumed an executive leadership role in a variety of areas including one in Performance Products. He was named to his current role in August 2012.

He is Chairman of the Dow Akxa Board as well as a member of the board for BioAmber Inc., the Michigan Molecular Institute, and the U.S. India Business Council.

Haller holds a master's degree in business administration from IMD, Lausanne, Switzerland and earned a certification in the advanced executive program from UCLA, Los Angeles, California.

**Ian Hudson, DuPont**

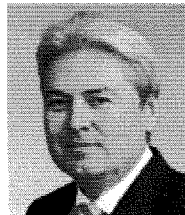


Ian Hudson joined DuPont in 1998 from ICI when DuPont purchased ICI's Polyester Films business. He was business director Europe for that business and on joining DuPont, he was appointed regional director Europe for the combined business.

He relocated to Geneva after five years in Wilmington, Delaware, where he was global business director Sorona®/Bio PDO in DuPont's Bio-based Materials Business. In January 2004 he was named regional director - DuPont Advanced Fiber Systems and DuPont Nonwovens - Geneva. He was named to his current position in April 2006. His career with ICI spanned 18 years, during which time he held a number of commercial and business management roles, including assignments in France and in the United States, as well as extensive travel in Asia.

Ian Hudson graduated from Oxford University with an MA degree in French and German.

**Hariolf Kottmann, Clariant**



Chairman of the Executive Committee, responsible for Clariant Excellence, Group Legal & Compliance, Group HR, Group Communications and Corporate Development. He became CEO of Clariant on October 1, 2008.

Hariolf Kottmann earned his PhD in organic chemistry at the University of Stuttgart in 1984. In 1985, he launched his career at the former Hoechst AG in Frankfurt, where he held several key management positions across the company's chemical divisions and functions.

In 1996, he was appointed deputy head of the Basic Chemicals Division at Hoechst AG, taking responsibility for the Inorganic Chemicals BU. In 1998, he joined Celanese Ltd in New Jersey (USA) as a member of the Executive Committee and Head of the Organic Chemicals business.

In April 2001, he was appointed as a member of the Executive Committee of SGL Carbon AG, where he was responsible for the Advanced Materials Division and the Eastern Europe and Asia regions until September 30, 2008. He was also in charge of the SGL Excellence, Technology and Innovation corporate functions.

### **Philippe Sauquet, Total**



Philippe Sauquet began his career in 1981 as a civil engineer at the French Ministry of Infrastructure. He subsequently worked at the French Ministry of the Economy and Finance.

He joined chemical company Orkem in 1988 as Vice President, Strategy before being appointed Senior Vice President, Acrylics Sales & Marketing.

He moved to Total in 1990 as Vice President, Anti-Corrosion Paints and was subsequently named Vice President, Chemicals Strategy.

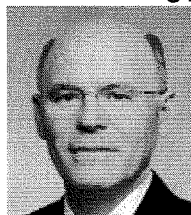
In 1997, Mr. Sauquet transferred to the Gas & Power Division, where he was successively Vice President, Americas; Vice President, International; Senior Vice President, Strategy & Renewables; Senior Vice President, Trading & Marketing, Gas & Power, based in London.

He was appointed President of Gas & Power on July 1, 2012, in which capacity he also sat on the Group Management Committee.

On October 29, 2014, Mr. Sauquet was named President, Refining & Chemicals and joined Total's Executive Committee.

Born in 1957, he is a graduate of France's Ecole Polytechnique and Ecole Nationale des Ponts et Chaussées engineering schools and of the University of California, Berkeley in the United States.

### **Rudolf Staudigl, Wacker-Chemie**



Dr. Rudolf Staudigl graduated in 1981 in Munich (Dr. rer. nat.). He wrote his thesis on metal-organic chemistry. He also held a post-doctoral-fellowship from Harvard University, Cambridge/MA, USA. Prior to which he obtained his degree in Chemistry (Ludwig-Maximilian, Munich). Rudolf Staudigl occupied several positions within Wacker. He started his career with Wacker Siltronic AG, Burghausen in 1983. Prior to which he was appointed Vice-President Operations, Wacker Siltronic Corporation, Portland/OR, USA.

Thirty years later, he is now Member of the Executive Board at Wacker Siltronic AG (1993).

He was assistant Professor of inorganic chemistry (Ludwig-Maximilian, Munich) in 1982.



Cefic

### **Hubert Mandery, Cefic Director General**



Hubert Mandery joined Cefic in September 2009, and has been Director General since November 2009.

He started his career in 1986 at BASF in research and became Group Leader in the BASF Central Analytical Laboratory.

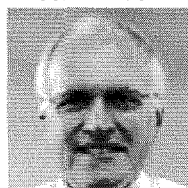
In 1993 he was appointed Director Product Safety and promoted to Vice-President International Economic Affairs in 2000.

In 2004 he became Senior Vice-President for Trade Policy and General Political Issues.

From January 2007 to August 2009, he was Managing Director Business Centre South Africa and Sub-Saharan and Head of BASF South Africa.

He holds a degree in Organic Chemistry and Food Chemistry and a PhD from the Technical University of Karlsruhe

### **Alistair Steel – Deputy Director General**



Alistair Steel is the Deputy DG and Executive Director of the Advocacy and Legislation Programme and Euro Chlor, which represents the European chlor-alkali industry. A British national, Mr Steel is responsible for directing and managing the various activities of the federation's Brussels-based Secretariat staff.

Prior to joining Euro Chlor in June 2006, Alistair Steel had over 18 years of service with Rhodia (former Rhône-Poulenc), the last five years as Managing Director and Country Manager of Rhodia UK Ltd. During this period, he successfully introduced a "shared service" management model into the UK organisation.

He had previously been Managing Director of Rhodia Eco Services Ltd (1993-2000), Business Director of Staveley Chemicals Ltd / Rhone Poulenc (1987-1993), Sales and Marketing Director of MP United Drug Company (now Molecular Products) from 1984 to 1987, and he had held various positions with Lankro Chemicals Ltd (1974-1984).

Mr Steel obtained a BSc degree in chemical physics at the University of Sussex (1973) and a PGCE at the University of Lancaster (1974). He attended the Oxford University Business Summer School in 1993. During his career, he chaired various councils, such as the National Sulphuric Acid Association (1995-2001), the European Sulphuric acid Association (1997-2001), REACH steering committee (2000-2003) and the UK Chemical Industries Association (2003-2005).

Outside of the chemical industry, he chaired the North Derbyshire Training and Enterprise Council (TEC) and the East Midlands TEC, sitting on the TEC National Council from 1998 until its dissolution in 2001. He was also a member of Derby University Governing Council between 1998 and 2000.

## **Note to the File**

### **Re: Meeting with CEFIC Executive Committee**

**Present:** Commissioner Karmenu Vella, Aurore Maillet (CAB Vella), Bjorn Hansen (DG ENV), CEFIC Executive Committee.

CEFIC introduced itself and its companies, stressing their input to growth, jobs, and a trade surplus. Overall the competitiveness of the chemicals sector was eroding, mainly due to high energy prices. Therefore CEFIC was a big supporter of the Energy Union, which was essential for security of supply and competitiveness.

On REACH, CEFIC stressed chemical safety was essential, but there was a need to "make it work" concretely, and ensure a smooth implementation. CEFIC saw the interest of REACH, in that it allows discussing chemicals safety based on clear regulation and science. This was important also for *endocrine disruptors* to make sure decisions were made based on science and to create a regulatory stable atmosphere. One concern was to ensure MS did not adopt additional legislation on top of REACH. Another was to ensure innovation was stimulated and not blocked.

On the circular economy, the chemicals sector had a lot to contribute. The issue was going to be addressed at the World Economic Forum. It was important for regulation not to make the circular economy more complex, and to ensure access from companies to the waste stream, which was complex today.

Better regulation was essential to lower the administrative burden while retaining the ambition level.

The Commissioner outlined the priorities of his mandate, and proposed regular meetings with CEFIC, at his level or at services level, including other Commissioners as relevant. Further such meetings to be agreed on the basis of a joint agenda. On *endocrine disruptors*, for instance, Commissioner Andriukaitis should also be involved.

*Note prepared by Commission*

**From:** "omissis" **On Behalf Of** MANDERY Hubert  
**Sent:** Wednesday, December 17, 2014 5:23 PM  
**To:** VELLA Karmenu (CAB-VELLA)  
**Cc:** COSTELLO Patrick (CAB-VELLA); MANDERY Hubert;"omissis"; STEEL Alistair; "omissis"  
**Subject:** Meeting with Cefic CEOs - 4 December 2014

Dear Mr Vella,

Please find in attachment a letter from the Cefic Director General to thank you for the meeting of 4<sup>th</sup> December 2014.

Your sincerely,

"omissis"

Cefic (European Chemical Industry Council)  
Avenue E. Van Nieuwenhuysse 4  
B - 1160 Brussels  
<http://www.cefic.org>

Director General

Mr Karmenu Vella  
Member of the  
European Commission  
Rue de la Loi 200  
1049 Brussels

17 December 2014

Dear Mr Vella,

Thank you for finding the time to meet with us on 4th December.

Though we touched on a variety of topics I make particular note of:

- Your enthusiasm to reduce the administrative burden on industry particularly in complying with REACH;
- Your offer to engage in a meeting to resolve issues connected to the Endocrine Disruptor debate.
- The importance of the Circular Economy in tackling growth & jobs;

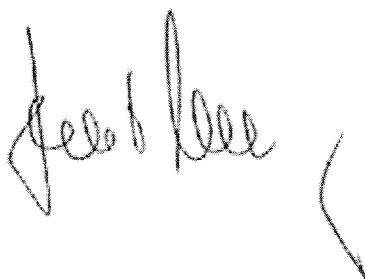
We briefly discussed the subjects of nanomaterials and endocrine disruptors and take this opportunity to assure you that we take the subject of protecting human health seriously and will strive to find practical solutions to the issues. Please find as attachment a brief summary on the key topics.

As an aide memoire following our meeting, please find enclosed a short introduction to the chemical industry which includes all the points we raised during our meeting.

We look forward to future meetings with you and your team and will propose dates and agenda items to you in due course.

In the meantime we stand ready to co-operate with you on any initiative you may wish to propose.

Yours sincerely,



Hubert Mandery





## Environmental Policy

### Introduction

This paper sets out Cefic's views on some of the key issues that are currently being addressed in EU environment policy: and in the context of the 7<sup>th</sup> Environmental Action Programme. We look to take a positive approach, finding solutions to societal challenges in these policy areas, safeguarding people and the environment, while mainstreaming the considerations of industrial competitiveness.

### Circular economy

The European chemical industry has a long history of investing in resource and energy efficiency, industrial symbiosis, cooperation along the value chain, innovative products and processes (e.g. SPIRE) so as to withstand the increasing competitive pressures from third countries. Whatever form the circular economy takes, it will still be an economy and it will always need processes involving chemistry.

The 'circular economy' could create opportunities for win-win solutions, which deliver environmental benefits and economic growth. They will result from industrial investment and innovation, which will be forthcoming if, but only if, investors can expect a reasonable return. A new business model must still be a viable business.

We look to European policymakers to put in place a policy framework that will promote innovation and provide incentives to this investment and look forward to collaborating with the Commission in pursuit of this objective.

### Non-Toxic Environment

The European Chemicals Industry is committed to ensuring that there is **"no harm to people, wildlife and the environment as a result of exposure to substances during the whole life cycle"**. To deliver on this commitment we support an evidence based approach to the safe use of chemicals.

Thus, if evidence were to show that people, or the environment, are being harmed, then we do whatever is necessary to prevent that harm. Where evidence shows that people, or the environment, could be harmed, we will manage the risk so as to avoid that harm. And where scientists suggest a possibility of harm, we explore that possibility and may take proportionate, precautionary measures to guard against any possible risk pending such review.

This evidence based approach to harm prevention is applied within an existing EU policy and regulatory framework comprising approximately 150 different pieces of EU Legislation, which is supplemented by voluntary industry initiatives, all designed to ensure that people and the environment are safe, while allowing society to enjoy the benefits of the safe use of chemicals.



## Endocrine Disruptors

The European Chemicals industry is committed to ensuring that there is “**no harm to people, wildlife and the environment as a result of exposure to substances during the whole life cycle**”. This commitment applies to harm (adverse effects) caused by endocrine disruption as it does to any other mode of action.

To this end, we apply the WHO/IPCS definition of ‘endocrine disruptor’, which refers to substances that ‘*cause adverse effects*’. We support the adoption of ‘scientific criteria’ under EU Regulations that will enable us to determine both **causation** (that a substance could cause an effect) and **adversity** (that the effect is an ‘adverse effect’).

- **Causation:** The potency of a substance, how dangerous it is and how likely it is to have an effect, is an important consideration that will help in determining whether a substance is expected to have an effect.
- **Adversity:** The severity of the effect, how bad it would be if it happened (and other elements of hazard characterisation) will help in determining whether a potential effect amounts to “harm” to be guarded against.

Given definitive criteria, the European chemical industry can and will work with regulators, within the existing regulatory framework, to ensure that people and the environment are not harmed by exposure to endocrine disruptors.

## Nanomaterials - Safe and Innovative

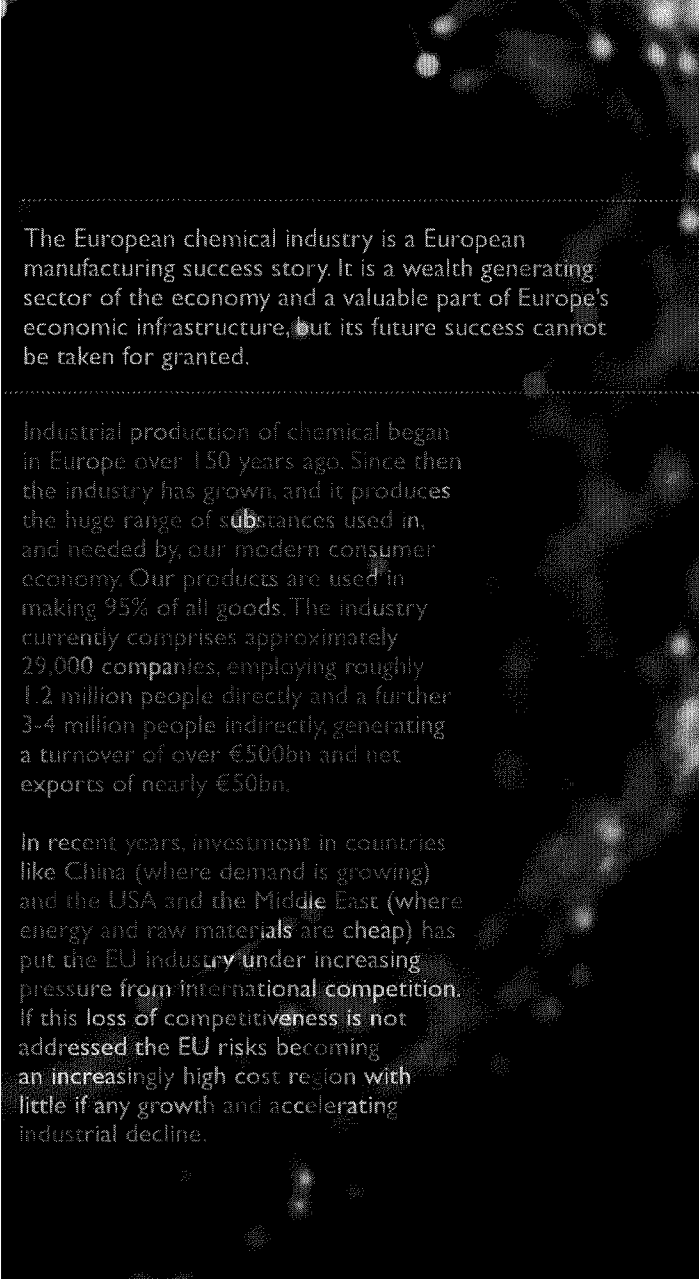
Nanotechnologies hold the key to major advances, breakthroughs and solutions to a number of global challenges. With so much potential, the effective market deployment and responsible management of these technologies is a must. They are already used as a key enabling technology for innovative products and processes in many sectors ranging from automotive to construction, electronics and medicine. Their development represents a big potential for European business. It is estimated that by 2015 about two million nanotechnology workers will be needed worldwide, of which 300,000 to 400,000 in Europe.

### **Ensuring safety**

The existing regulatory framework, in particular REACH, is a solid basis for ensuring chemical safety: and, in 2012, the Commission’s second regulatory review concluded that the current regulatory framework, including REACH, is appropriate to cover nanomaterials, subject to some amendments to its Annexes and Guidance notes.



This being so, the European Chemical industry does not support calls for the introduction of 'nano-inventories' which impose a significant cost burden on both industry and regulators without conferring any additional benefit in terms public protection or chemical safety.



The European chemical industry is a European manufacturing success story. It is a wealth generating sector of the economy and a valuable part of Europe's economic infrastructure, but its future success cannot be taken for granted.

Industrial production of chemical began in Europe over 150 years ago. Since then the industry has grown, and it produces the huge range of substances used in, and needed by, our modern consumer economy. Our products are used in making 95% of all goods. The industry currently comprises approximately 29,000 companies, employing roughly 1.2 million people directly and a further 3-4 million people indirectly, generating a turnover of over €500bn and net exports of nearly €50bn.

In recent years, investment in countries like China (where demand is growing) and the USA and the Middle East (where energy and raw materials are cheap) has put the EU industry under increasing pressure from international competition. If this loss of competitiveness is not addressed the EU risks becoming an increasingly high cost region with little if any growth and accelerating industrial decline.

## Safety First

The European chemical industry is committed to the safe use of its products and the safety of its production facilities. It does, and will do, whatever is needed to protect people and the environment from harm.

The European chemical industry knows that producing and using chemical is potentially dangerous. We invest substantial resources in understanding the dangers associated with our products and processes. We then establish effective measures to manage the risks and to ensure that chemical products can be, and are, used safely.

These measures are taken within a comprehensive regulatory framework, comprising over 150 different pieces of legislation, designed to ensure the safe operation of chemical factories and that people and the environment are not harmed by chemical. We support the continual review of this framework to make it more effective and less costly.

In doing so, the first imperative is to ensure that people and the environment are not harmed. We do whatever is necessary to prevent harm. If there is a risk of harm we take precautionary measures, managing that risk so as to avoid the possibility of harm. Moreover, even where there is no evidence of possible harm, the industry is continually seeking to improve its performance, processes and products so as to minimise emissions and exposure and to underwrite the guarantee of safety.

## Research and Innovation

The European chemical industry is an innovative sector. Chemistry is the key in many 'Key Enabling Technologies'. Innovative chemistry will help Europe meet today's challenges and build for the future. The best of chemistry is yet to come.

In 2012 the European chemical industry invested approximately €9bn in research, more than any other region. We are engaged in three of the five Key Enabling Technologies (biomaterials, nanotechnology, advanced materials) identified in the Commission's 2009 Communication, "Preparing for our future: Developing a common strategy for Key Enabling Technologies in the EU".

Talk of an economic transformation and economic growth necessarily implies a process of change, and change will necessarily require innovation. Chemistry is the 'transforming science' and can play a key role in building a better future for Europe and its people.

That having been said, everyone is in favour of innovation – until companies actually innovate. Then every possible reason will be brought forwards to prevent them doing so. If policymakers want to change things for the better then they should support not only research but the practical application of that research in order to provide solutions to current problems.



## Trade (TTIP)

The European chemical industry imports raw materials and exports high added value products. We support TTIP as it will boost trade and economic growth.

The industry will benefit from the elimination of import duties on transatlantic chemical trade, generating annual savings of €1.5 bn, of which roughly a third relates to intra-company trade. Moreover, access to US energy markets will result in increased competition in oil and gas markets and can thus, in combination with EU domestic action, contribute to narrowing the gap between US and EU energy prices.

We can also benefit from cost savings due to greater regulatory cooperation. The European chemical industry has no ambition to see regulatory standards reduced on either side of the Atlantic. However, enhanced regulatory cooperation can create opportunities to reduce regulatory costs for both authorities and companies, without reducing standards; thereby contributing to greater regulatory efficiency.

## Concluding remarks

The EU stands at a crossroads.

If the credit crunch taught Europe anything, it is that growth based on ever increasing debt is not sustainable; and that manufacturing economies are more resilient to economic shocks than consumer economies. In the aftermath of the economic crisis economic growth is proving hard to achieve and global competition is fiercer than ever. If we do not recover our international competitiveness and engage with our global competitors then we can expect to see investors turn their backs on Europe and investment move to third countries. Europe would then become a declining, consumer economy.

The European chemical industry looks to the incoming EU institutions to reject this course and to develop policies in all the above areas that will enhance Europe's competitiveness and contribute to an industrial renaissance. We stand ready and willing to contribute to that renaissance. Given the right competitive framework conditions in the EU we will be able to do so.

Cefic, the European Chemical Industry Council, founded in 1972, is the voice of 29,000 large, medium and small chemical companies in Europe, which provide 1.2 million jobs and account for 17% of world chemical 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: [www.cefic.org/About-us/Our-members](http://www.cefic.org/About-us/Our-members)

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 chemical management worldwide.