

## Transition Pathway:

*On what planned path will the chemical industry achieve the goals of the Green Deal?*



# Background

December 2021

Cefic publishes the first **Economic Analysis of the Impacts of the CSS** on the EU chemical industry

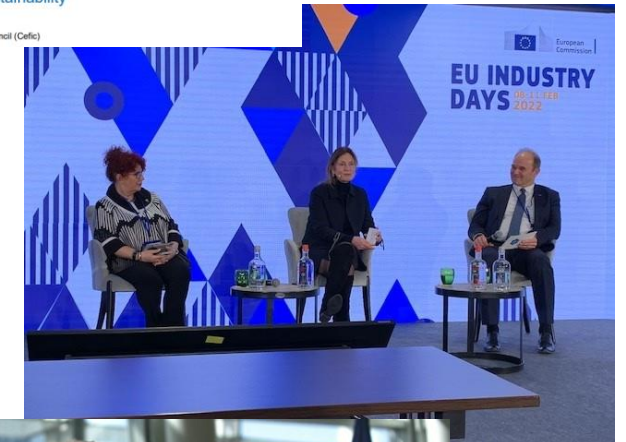
Cefic President calls for the establishment of a **Chemical Industry Transition Pathway** describing it as *“a package of supporting measures including realistic timelines for the industry to develop alternative and regulatory action, prioritising the substances for which alternatives are available”*.



Economic Analysis of the Impacts of the  
Chemicals Strategy for Sustainability  
Phase 1 Report  
Report for the European Chemicals Industry Council (Cefic)

February 2022

**Official launch** of the stakeholder consultation process for the establishment of a **Chemical Industry Transition Pathway** at the EU Industry Days



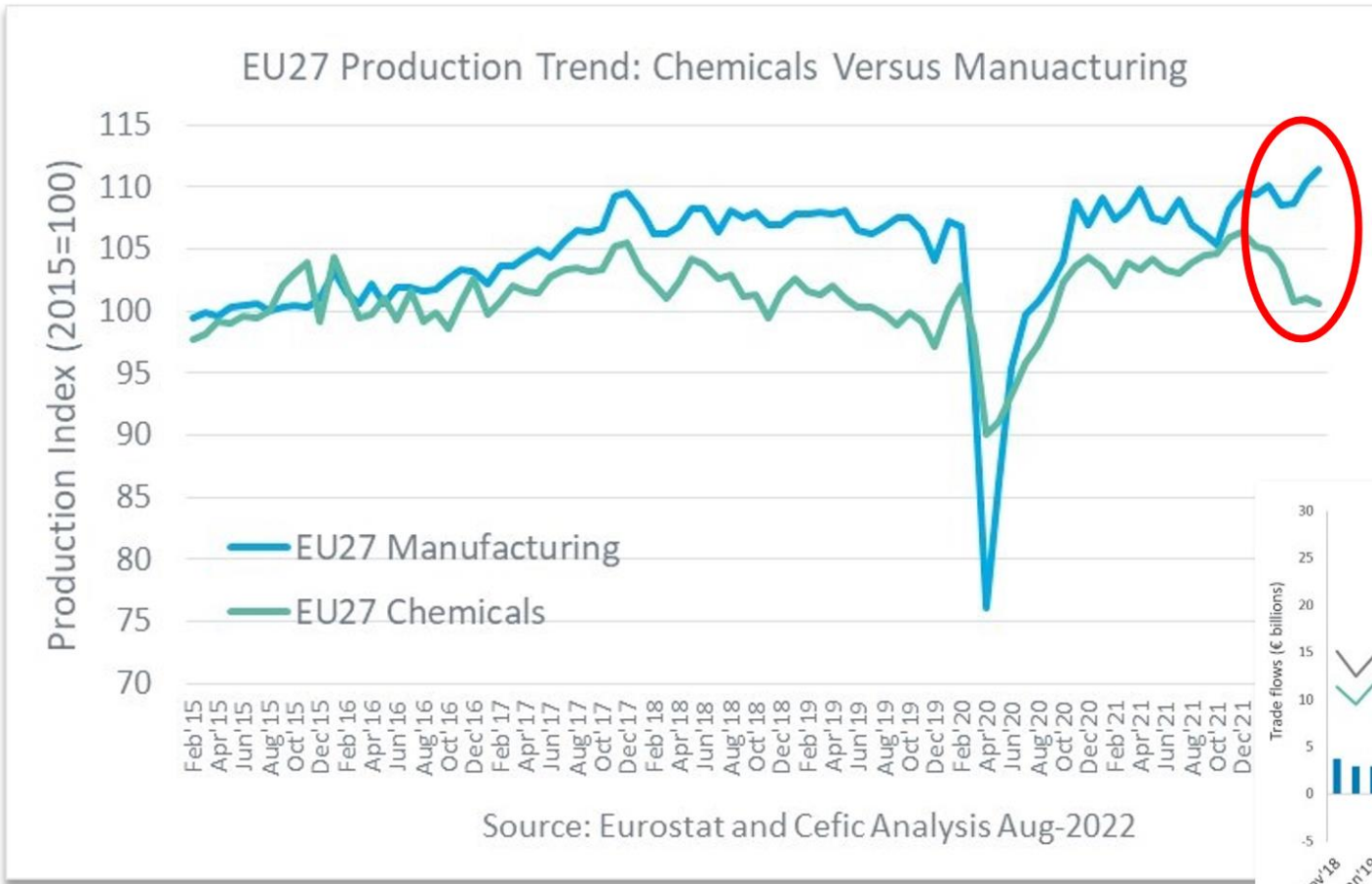
May 2022

**Commissioner Thierry Breton** describes the Chemical Industry Transition Pathway as a **compass for the industry “to lead the way”** towards **Safe & Sustainable by Design products**, at the Ministerial Conference on Chemicals

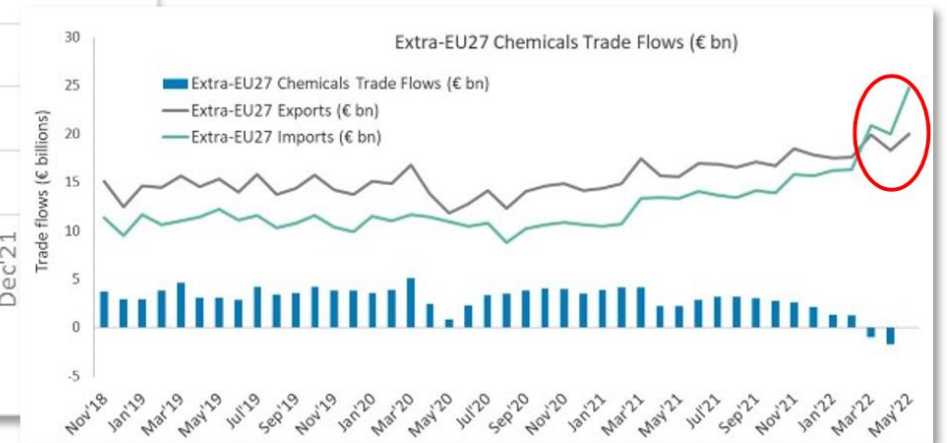


# The context: High energy costs are weighing on chemical production

Chemicals production declined by 0.7% in January-June 2022 compared to the first half of 2021



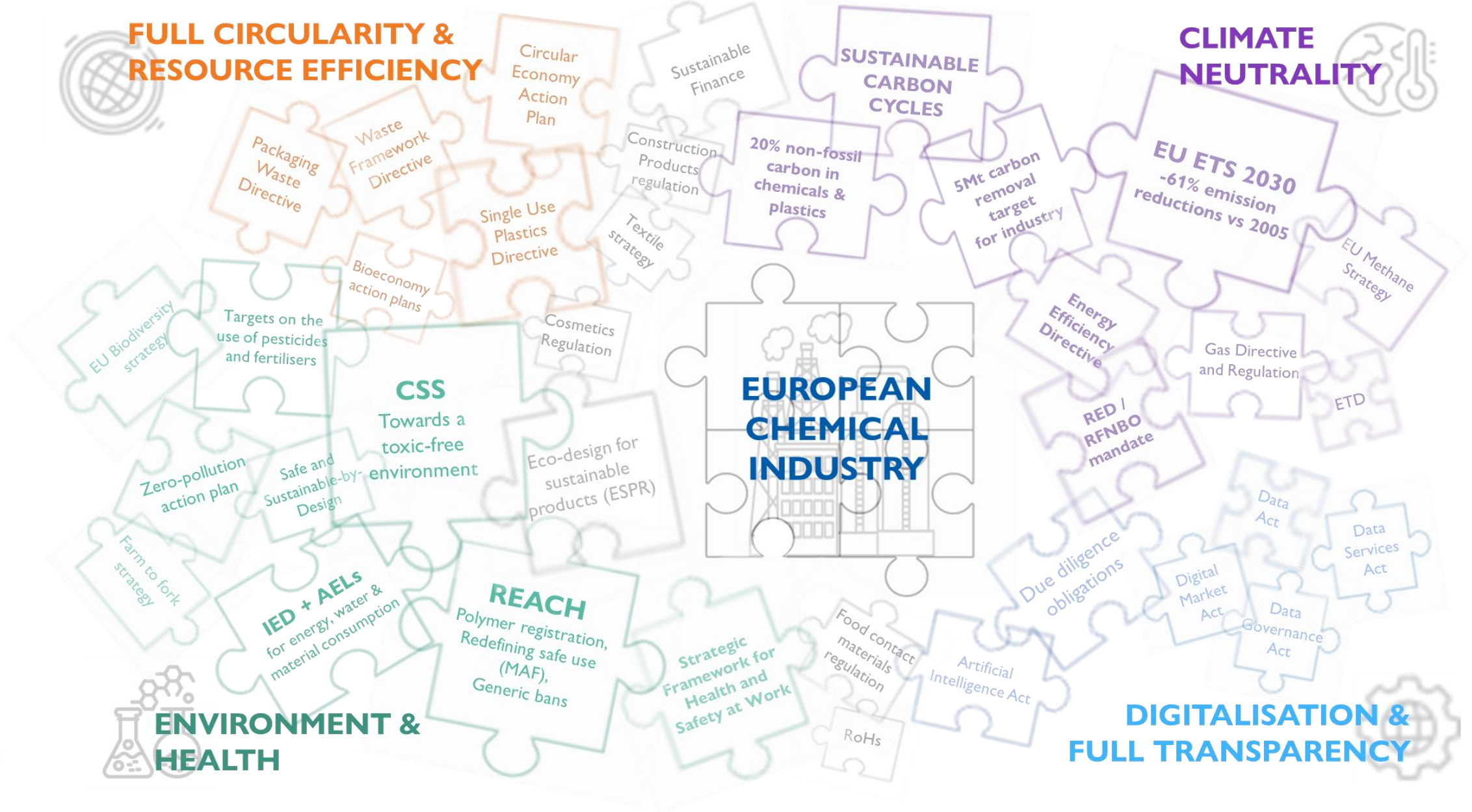
- The Chemical industry is the most impacted manufacturing sector.
- As a result, trade balance becomes negative for the first time ever.



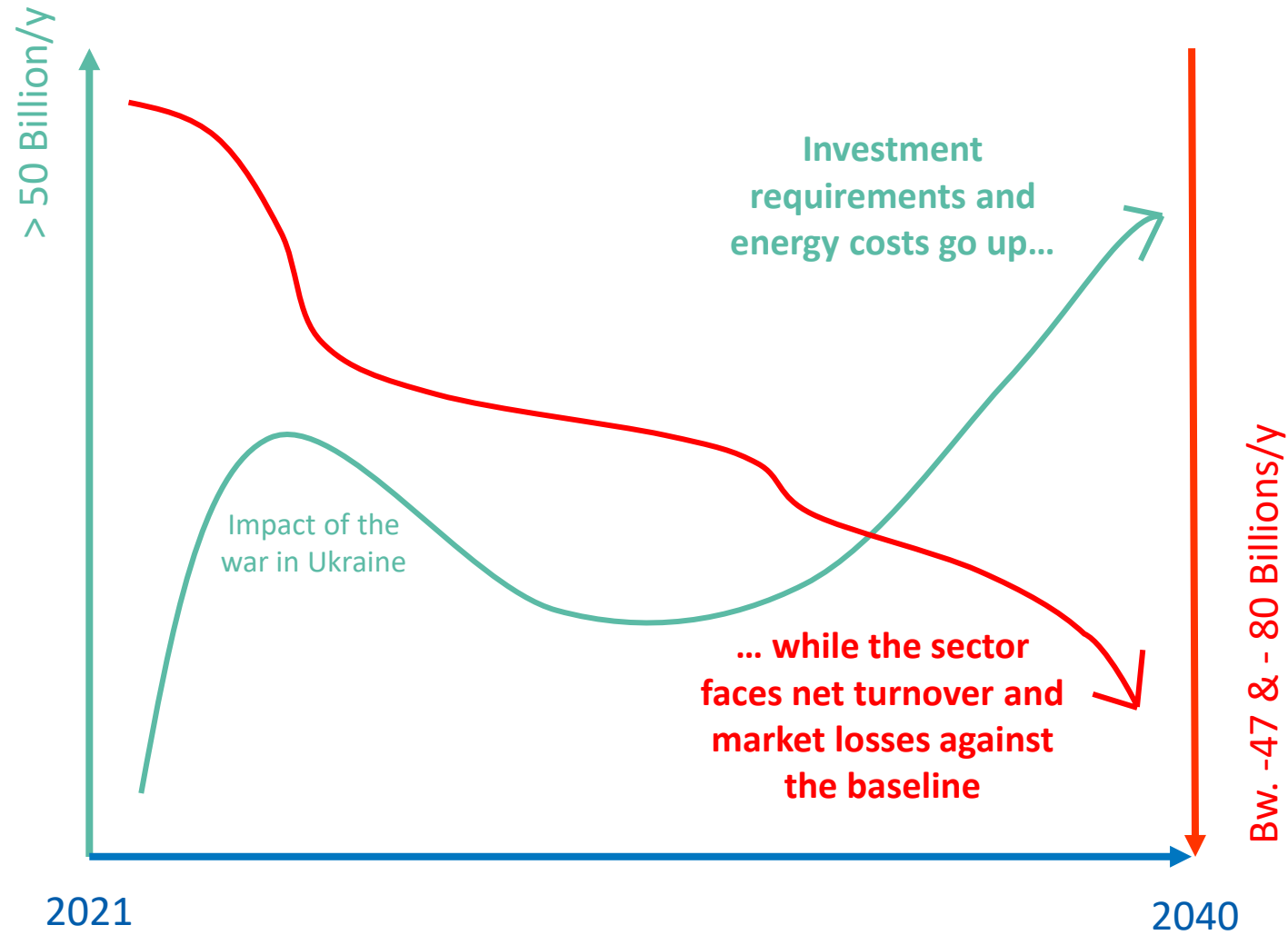
Source: Eurostat and Cefic Analysis-August 2022



# The context: a double twin transition combined with an extremely dense policy & regulatory framework...



# ...and conflicting investment signals



# Chemicals are part of 'Energy Intensive Industries'

## Energy Intensive Industries Transition Pathway

**Chemicals**  
as a part of the EII's Transition  
Pathway



**Climate and Energy**



**Zero-pollution/Toxic-free environment**



**Circularity**



**Consumer  
Transparency**



A specific building has been added compared to the blueprint in order to address the “energy and feedstock” challenge

## Green and Digital Transition

Sustainable  
Competitiveness

Regulation and  
Public  
Governance

Social  
Dimension

R&I, techniques  
and  
technological  
solutions

Infrastructure

Investments

Skills

Access to energy  
and feedstock

Resilience



# An actionable plan

Step 1: Identify the hurdles and the enablers  
 Example: Lack of regulatory enforcement for imports  
 creates distortions of competition



Step 2: Identify actions to reinforce the positive  
 trends / overcome the hurdles

Topic 13: Effective and efficient enforcement		
Actions	Actors	Timeframe
<ul style="list-style-type: none"> <li>Consider developing analytical methods to support enforcement; increase available resources for enforcement</li> </ul>	Industry and EU/MS	S
<ul style="list-style-type: none"> <li>Share non-regulatory enforcement measures (e.g., voluntary actions, schemes and stewardship initiatives) that improve the efficiency and effectiveness of legislation's enforcement</li> </ul>	Industry	S
<ul style="list-style-type: none"> <li>Identify issues in legislation's implementation/enforcement especially known areas of high risk of non-compliance - such as online sales and imported articles - via coordinated enforcement through mechanisms like existing platforms ECHA Enforcement Forum or private initiatives and other EU or national initiatives</li> </ul>	Industry and EU/MS	S/M
<ul style="list-style-type: none"> <li>Exploring the use of digital tools to support market surveillance and customs authorities as well as to improve the compliance of products containing chemicals sold online to European consumers</li> </ul>	Industry and EU/MS	S/M
<ul style="list-style-type: none"> <li>Improve customs rules to tackle illicit chemical imports</li> </ul>	EU/MS	S/M
<ul style="list-style-type: none"> <li>Consider the industry proposal on establishing – under the Market Surveillance Regulation – uniform conditions and frequency of checks for certain products where specific risks or serious breaches of applicable Union harmonisation legislation have been continuously identified</li> </ul>	EU/MS	S/M



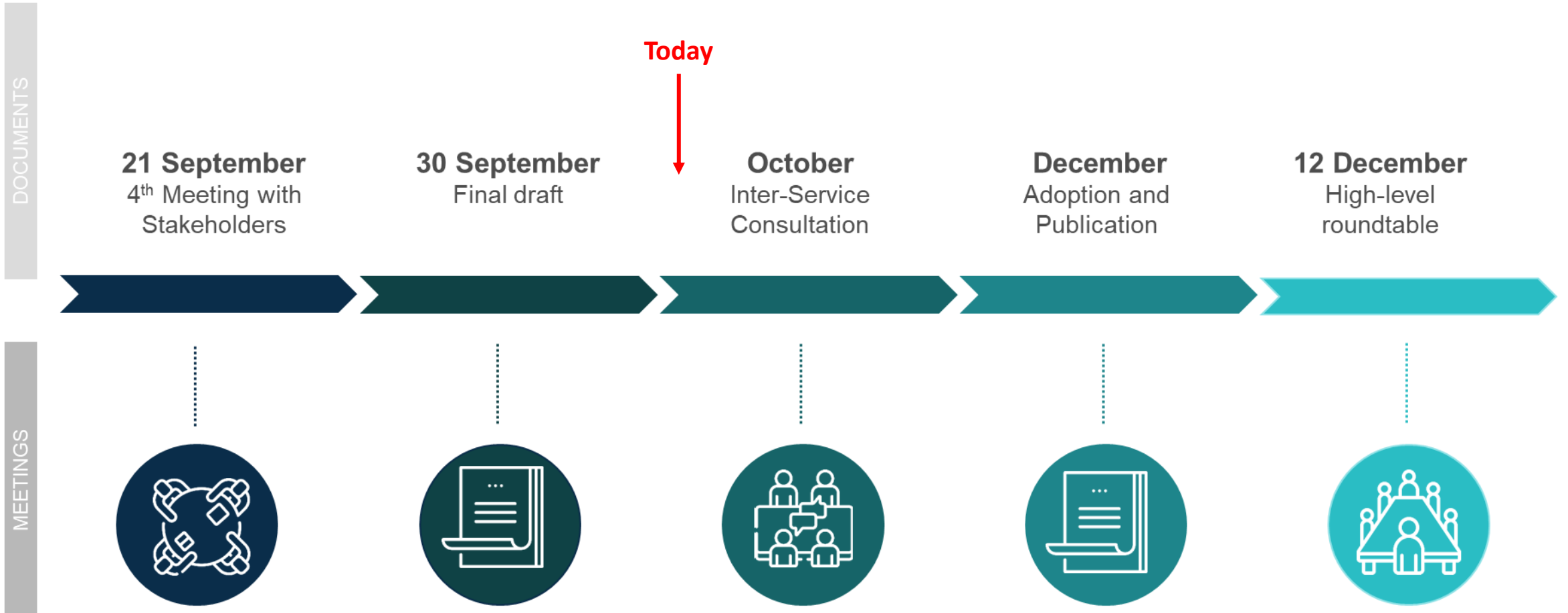


# Cefic priorities

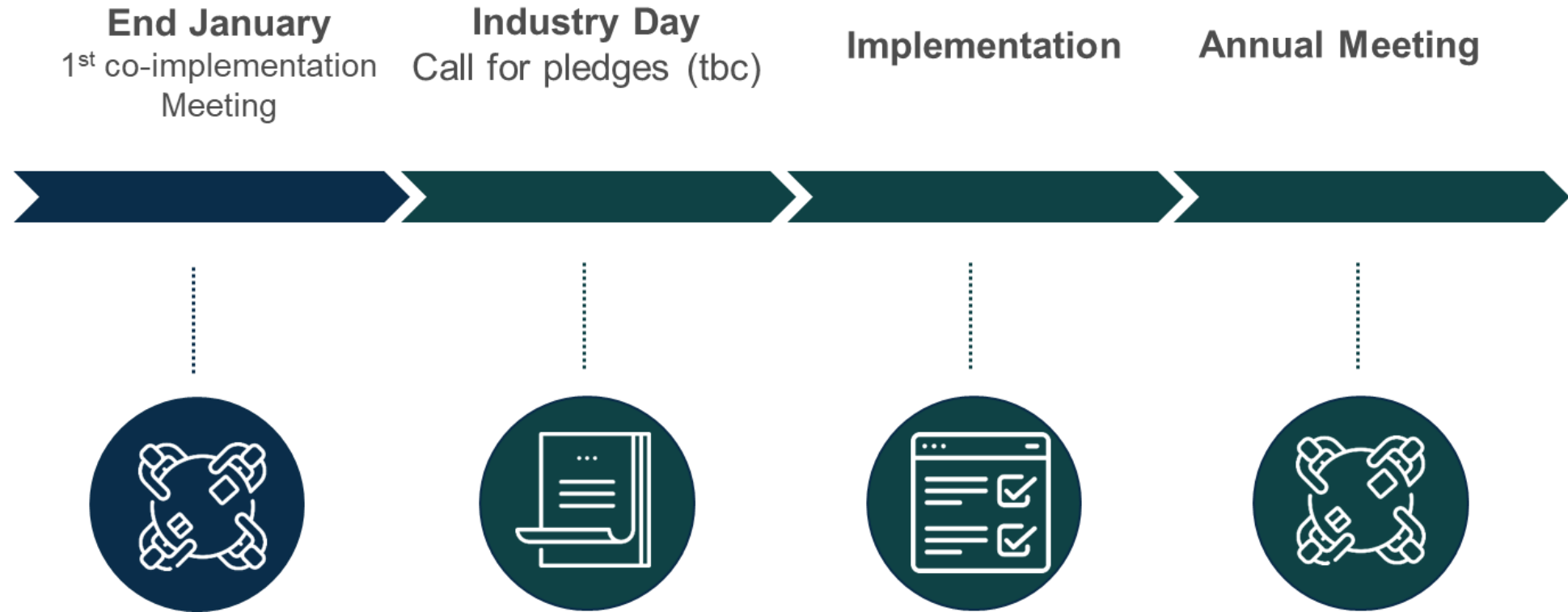
- Establish a credible timeline for investments
- Regulatory predictability
- Monitoring sustainable competitiveness (KPIs)
- Financial support to de-risk investments
- Resource availability and infrastructure requirements
- Remove hurdles to cooperation
- Enforcement
- Solid REACH registration dossiers / Promotion of NAMs
- Chemical recycling of plastic waste to be acknowledged in regulation



# Timeline and process



# The co-implementation



## Key elements of the co-implementation process (TBC)

Annual progress report / stakeholder meeting

Creation of task forces dedicated to the topics of high priority

Annual survey for stakeholders who have made specific commitments

Translation into national plans



# 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

