

# Energizing growth



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# Profile of the EU Chemical Industry



- ✓ 29 000 companies, 96% SMEs
- ✓ 1.17 million of jobs
- ✓ €507 billion of revenues
- ✓ 15% of the world's chemical sales
- ✓ State of the art **innovative solutions**

**= key EU economic sector**

# The Clean Energy Package and the EU Chemical Industry



The EU Clean Energy Package is an **enabler** of **European industry's competitiveness** and a unique opportunity for European institutions to deliver on Europe's ambitious transition to **cleaner energy** and meet **climate change goals**.

Cefic believes that this would be achieved by applying general guiding principles to:

- ✓ **Provide competitive, reliable, and sustainable energy** for industry
- ✓ **Enable innovation** in industry sectors that develop products and technologies that avoid greenhouse gas emissions (GHGs) across value chains
- ✓ **Foster innovation to reduce the cost** of all renewable sources
- ✓ **Avoid costly and unnecessary** overlapping **legislation**

# Chemicals Industry: A European Success Story



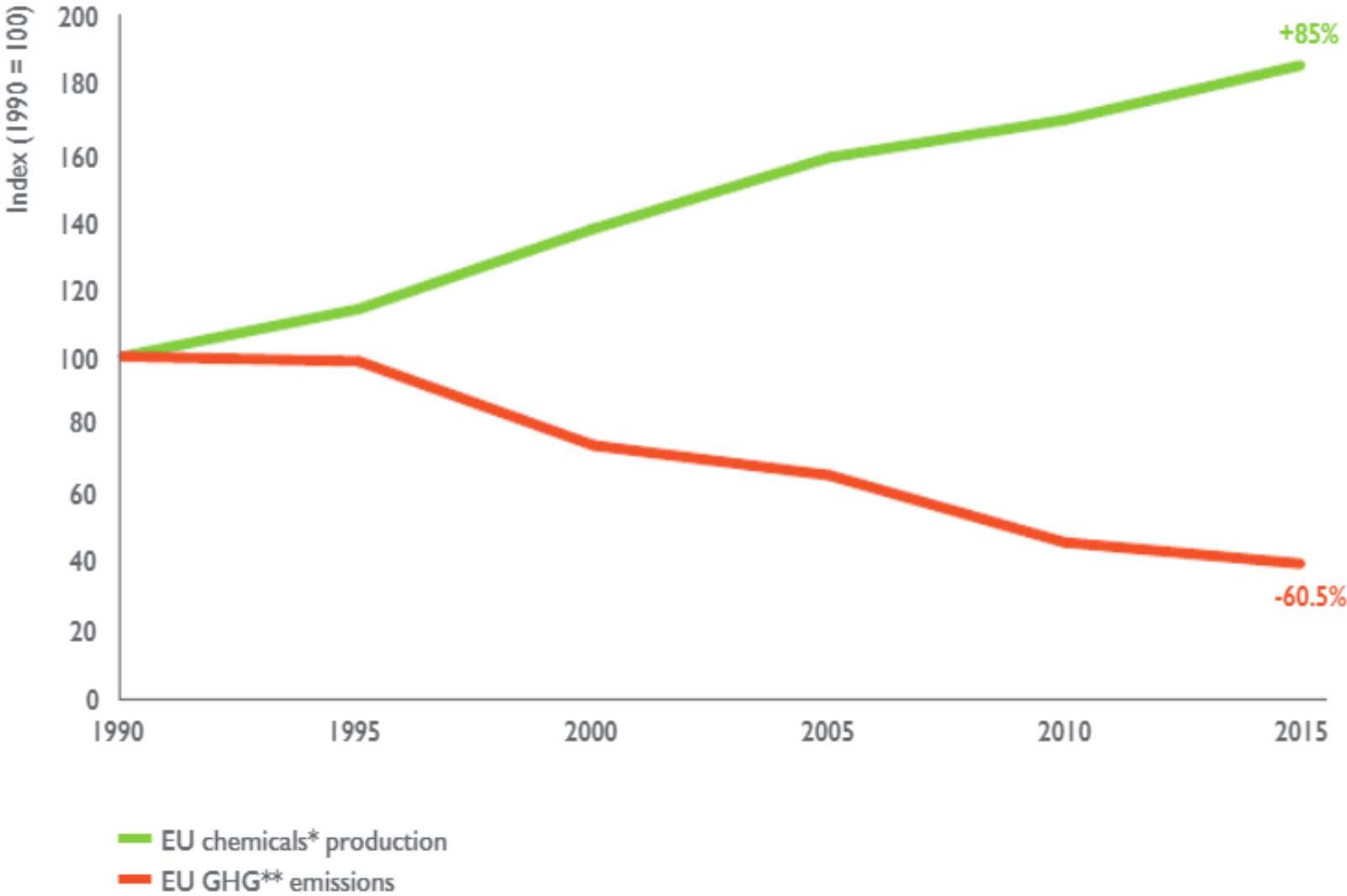
*The EU chemicals sector faring better and closer to its pre-crisis level*

Chemicals output ▲ 3.8%, Chemicals prices ▲ 5.1%, Chemicals sales ▲ 8.4%,  
Domestic sales ▲ 8.8%, Exports ▲ 7.1%, Imports ▲ 7.5%, Consumption ▲ 8.5%,  
Employment ▲ 1.4%, Capacity utilisation ▲ 2.7%,

**According to a JRC 2017 Study** the growth of the European Chemicals Industry **between 2013 and 2050 will be around 45%!.**

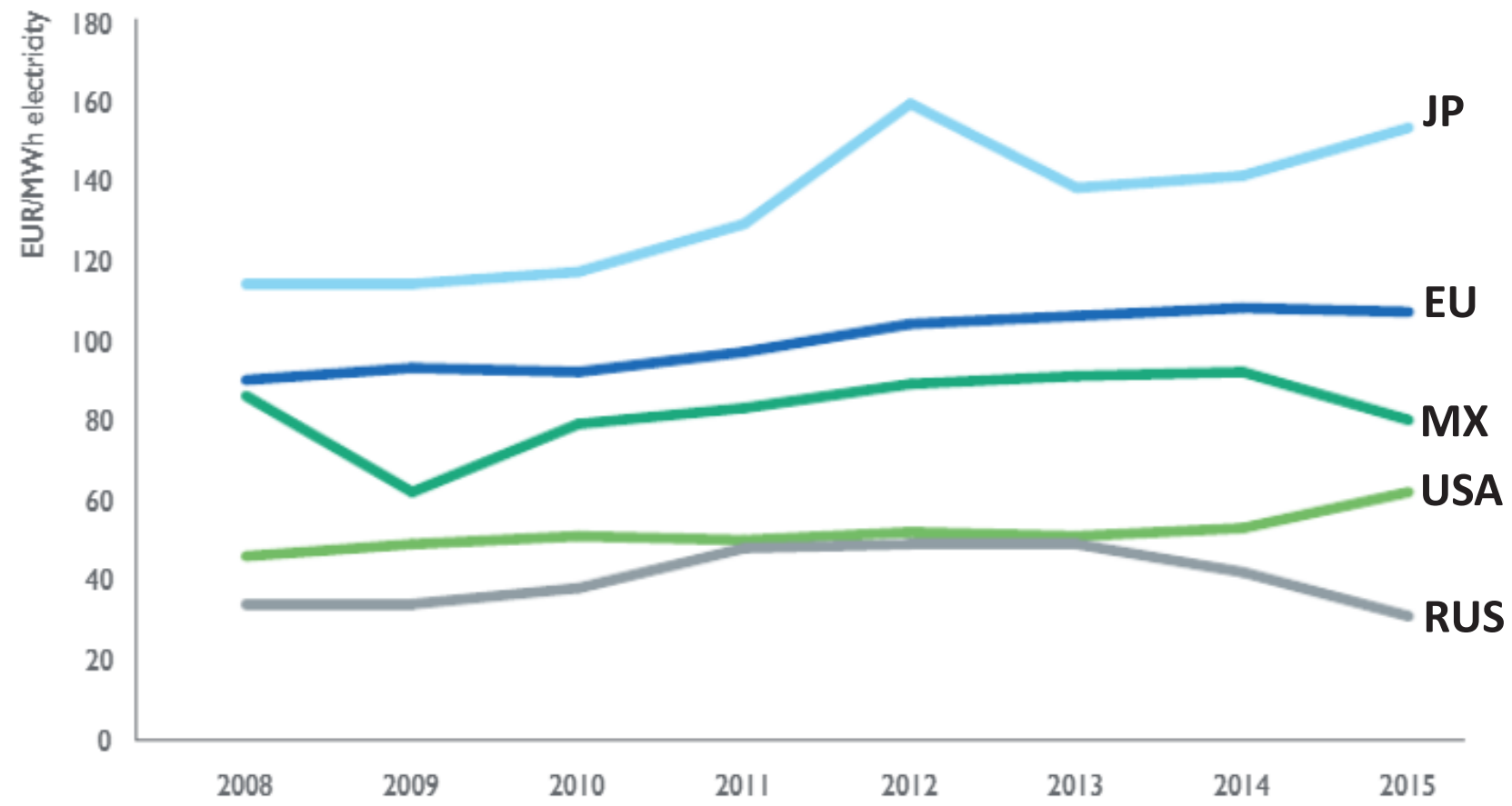


# An energy intensive industry which has decoupled production from emissions

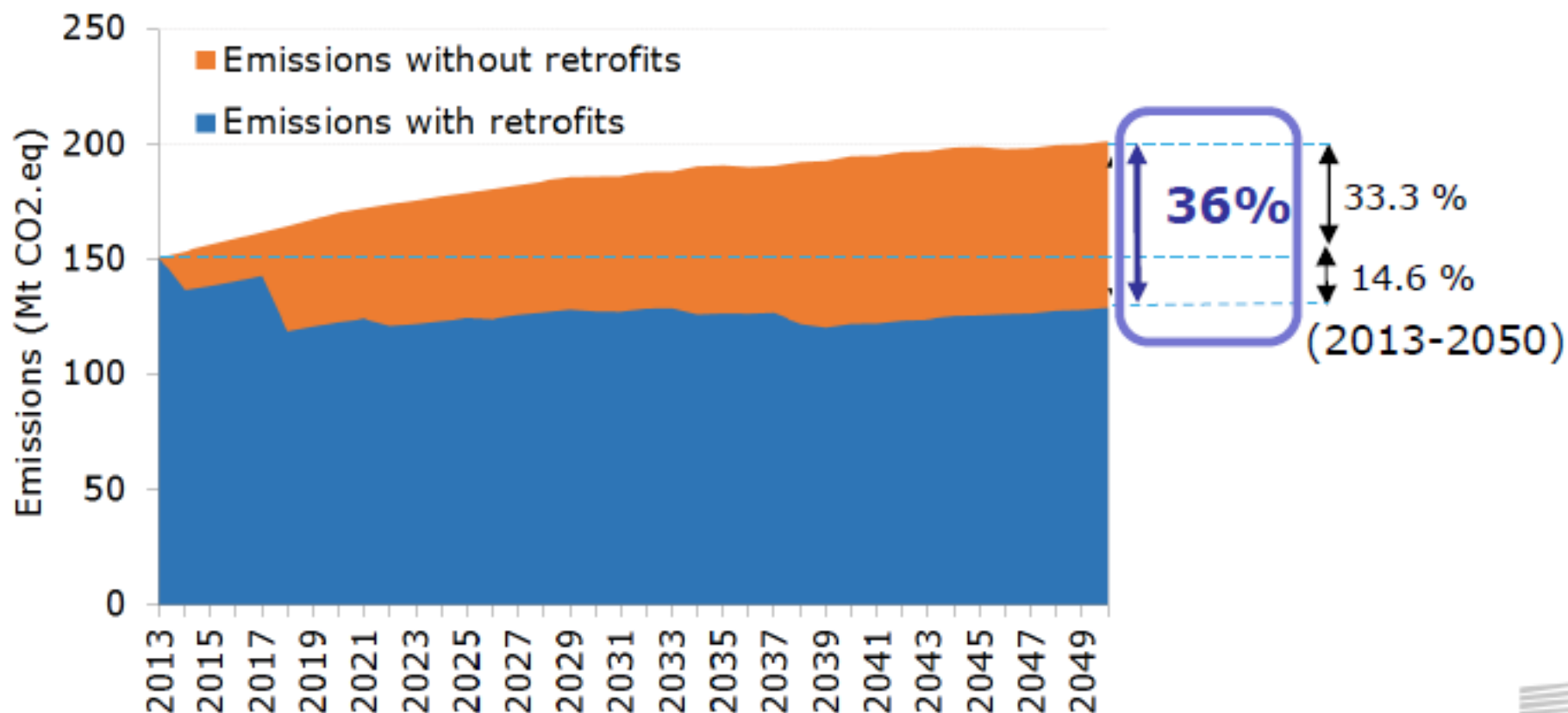


Source: Cefic Facts and Figures 2017

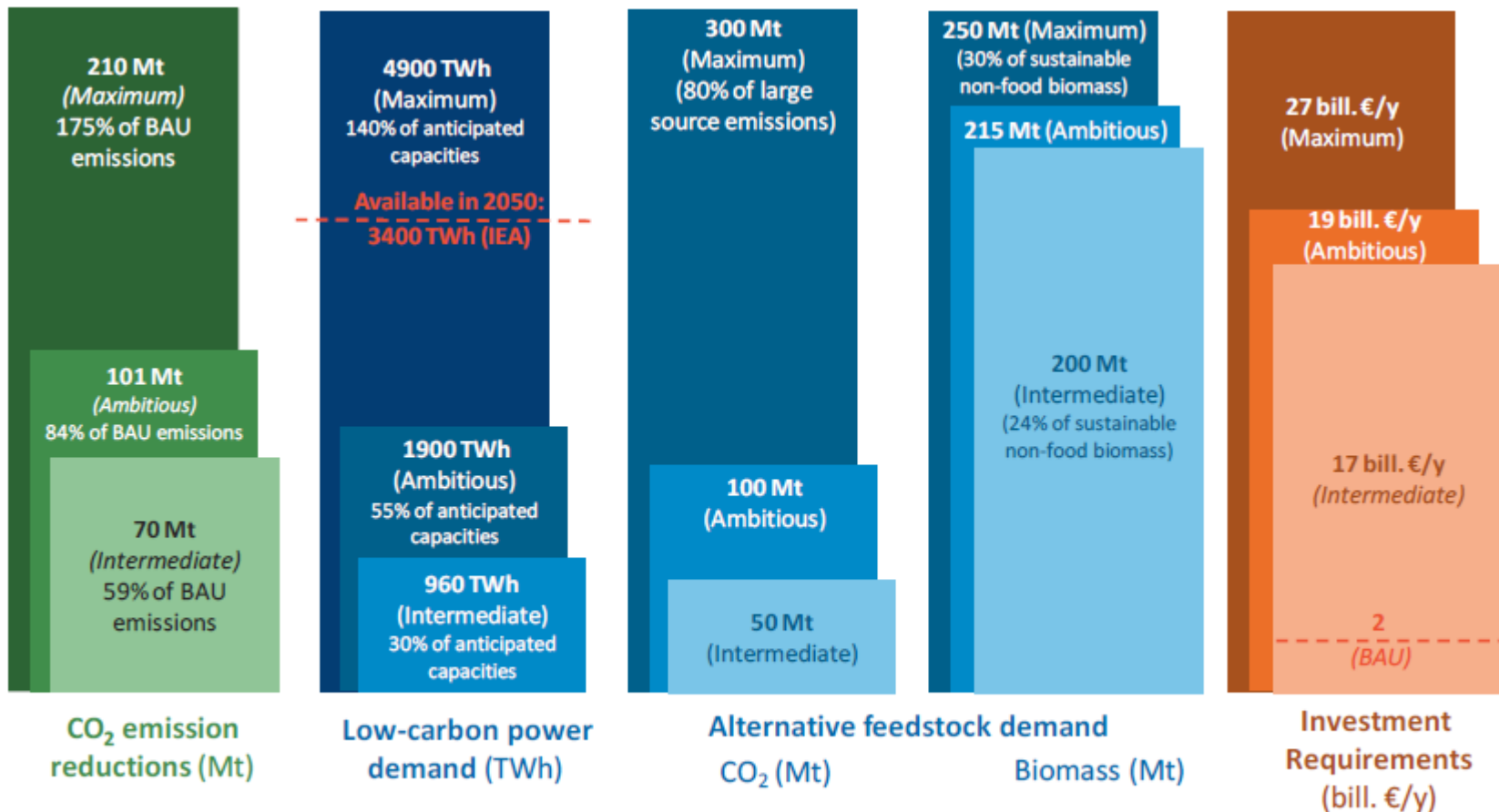
# An EU energy reform is much needed: The EU average electricity costs are 1.7 times that of the USA and 3.5 times those of Russia



# Innovation is needed to reduce further GHG Emissions



# Big investments are needed to reduce further GHG Emissions



*Opportunities and challenges for various scenarios by 2050 (without fuels applications)*

Source: Dechema Technology Study: Low carbon energy and feedstock for the European Chemical Industry, June 2017



# Innovation: the Power of the EU Chemical Industry



Just one example:

## Innovations for renewable energy production



- ✓ **New composite materials** for wind turbine blades which increase their energy yield and improve the corrosion resistance of turbines.
- ✓ **New materials for photovoltaic technologies** like novel thin-film technologies which do not require scarce metals and perform better at lower cost, while enabling solar cells to be recycled at the end of life.
- ✓ **Advanced materials and technologies for energy storage:** advanced batteries, chemical energy storage (advanced materials and process technologies like hydrogen and CO<sub>2</sub> based energy carriers) and thermal energy storage (via phase change materials or reversible thermochemical reactions).

# Our key-messages for Energizing Growth in Europe



- ✓ Cefic's overarching objective is to **secure reliable supplies of competitively priced energy.**
- ✓ We fully support the Commission's call for **an ambitious and a future oriented FP9 Innovation programme.**
- ✓ We support policy initiatives to **increase the levels of Investment in Europe.** In the context of the enlarged European Fund for Strategic Investments, **focus should be given also to the manufacturing sector and in particular the Energy Intensive Industries.**
- ✓ We call the European Commission to swiftly devise a **Master Plan** for reinforcing the competitiveness of the European Industry. This Master Plan should include **concrete actions in all policy areas** and encompass a series of consecutive, interconnected and clear milestones and measurable objectives.

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