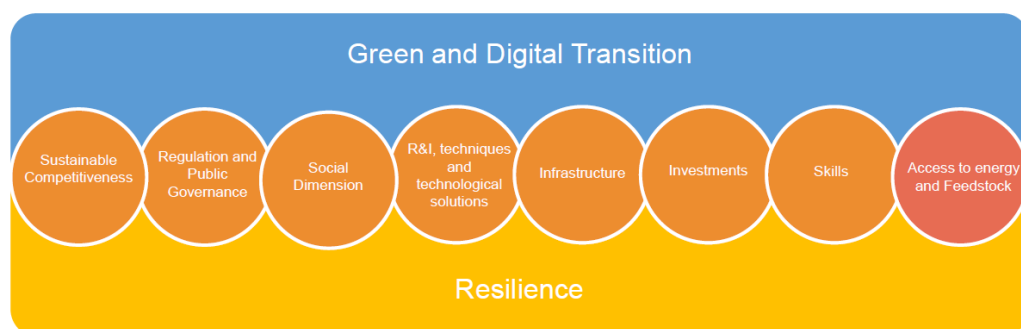


Chemicals transition pathway - building blocks survey

Fields marked with * are mandatory.

As part of the co-creation process of the EU chemicals transition pathway, this survey aims at collecting initial feedback from all stakeholders on the building blocks characterising the transition pathway. Several questions presented during the meeting were amended based on the discussion that took place at the kick-off meeting on 16 February 2022.

Building Blocks



The information gathered in this survey will be exclusively used by the European Commission. However, some elements of the replies may be used in future public discussions with stakeholders.

Should you require additional information, please contact GROW-CHEMTP@ec.europa.eu

0. Overview on the objectives

In this section, you are invited to add objectives, targets and goals that were not included in the handouts presented at the kick-off meeting.

Green Objectives – EU level (1/2)



Climate



Energy



Environment and Health



Circularity

By 2050, EU climate neutrality		Zero pollution ambition for a toxic-free environment	renewed clean & circular economy
By 2030, net reduction GHG emissions by at least 55% (vs. 1990 level) {Climate law}	at least 40% (TBC) for the overall share of energy from renewable sources in the EU's gross final consumption of energy in 2030 {binding target, RED.II}	By 2050, improving water quality by reducing waste, plastic litter at sea (by 50%) and microplastics released into the environment (by 30%) {ZPAP}	municipal waste shall be increased to a minimum of 55 % by weight by 2025, to a minimum of 60% by 2030 and of 60% by 2035 {Waste Framework Directive}
	At least 32.5% improvement in energy efficiency {EED revision}	By 2030, 60% reduction in air pollution {ZPAP}	From 2030, landfilling restrictions of waste recyclable or suitable for energy recovery {Landfill Directive}
5Mt of CO2 should be annually removed from the atmosphere and permanently stored through frontrunner projects by 2030 {Sustainable Carbon Cycle}	Reducing EU primary (-39%) and final (-36%) energy consumption by 2030 => 2030 EU energy consumption <787 Mtoe & 2030 primary energy consumption <1023 Mtoe {EED revision}	Reducing by 25% the EU ecosystems where air pollution threatens biodiversity {ZPAP}	25% recycled content target for 2025 (PET bottles) and 30% for 2030 (all drinking bottles) {Single-Use Plastics directive}
	2021-2023: >0.8% annual energy savings obligations by MSs & 2024-2030 >1.5% annual energy savings obligations by MSs {EED revision}		By 2030, 75% target for recycling of packaging waste {Waste Framework Directive}



Green Objectives – Sector/Industry level (2/2)



Climate



Energy



Environment and Health



Circularity

ETS Phase 4 (2021-2030): from 2021, -4.2%/year (TBC) emission allowances (45% of total free allocations 2021-2025 for iron & steel, cement and fertilisers)	For 2021-2030, annual average for industry of >1.1% use of renewable energy as a share of energy used for final energy and non-energy purposes {RED.II}	Production and use of Safe and Sustainable by Design (SSbD) chemicals throughout their lifecycle {Chemicals Strategy for Sustainability}	Non toxic material cycles {Chemicals Strategy for Sustainability}
Industry as a whole would reduce GHG emissions between 20.3 and 25.1% (vs. 2015 levels, baseline -18.2%) {SVD(2020) 176 final}		Ban most harmful substances for consumer products and professional uses, including PFAS (unless 'essential use' to society) {CSS}	
At least 20% of carbon used in the chemical and plastic products should be from sustainable non-fossil sources by 2030 {Sustainable Carbon Cycle}		Substances of concern: minimised and substituted as far as possible {CSS}	
By 2028, any ton of CO2 captured, transported, used and stored by industries should be reported and accounted by its fossil, biogenic or atmospheric origin {SCC}			

Milestones:

- Revision of REACH
- Revision of CLP - Classification, Labelling and Packaging
- Definition of sectorial targets for GHG emissions reduction by 2030 and by 2050 (vs. 1990 levels)
- Implementation of CSS actions in Annex I
- Implementation of EU ETS - Phase 4
- Revision of key product legislation and SPI (Sustainable Product Initiative)



Q.0.1: Is there any additional objective, target or goal that should be included in these two slides on the objectives belonging to the green transition?

1500 character(s) maximum

EU industry competitiveness
Better regulation
Innovation

Digital Objectives – EU level

Digital Objectives supporting the Green Objectives



Digital

Digital Product Passport
{Sustainable Product Initiative}

Digitalising chemical production e.g. through internet of things, big data, artificial intelligence, smart sensors and robotics {CSS}

Exploit digital tools for faster action on enforcement and optimise resources, including of market surveillance authorities {CSS}

Foster digital innovations for advanced tools, methods and models, and data analysis capacities to also move away from animal testing {CSS}



Q.0.2: Is there any additional objective, target or goal that should be included in these two slides on the objectives belonging to the digital transition?

1500 character(s) maximum

The digital transition should look into protecting data ownership and ensure harmonisation, EU coordination, and data protection. Industry highlights that a broad and complex digital landscape, with a plethora of IT solutions leads sometimes to data regulatory information that is neither structured, nor shared in a consistent way. There is a need to insure that intellectual property rights, responsibilities, liabilities, security, and data ownership will be respected.

To answer the debate of the plethora of IT solutions and requirements (regulatory, environment, toxicology, industry specific, region specific, technical data) we believe that the European Institutions in large, should align on data regulatory requirements to mobilise industry with specific solutions.

Resilience Objectives – EU Level



Resilience

Promote the EU's supply and sustainability
of critical chemicals
{Update of the Industrial Strategy 2020}
{CSS}



Q.0.3: Is there any additional objective, target or goal that should be included in these two slides on the objectives belonging to resilience?

1500 character(s) maximum

consumer information
protect and promote EU industry with regulatory provisions and incentives that are based on the principle of a Single Market and scientifically accepted assessment methodologies.

1. Sustainable competitiveness

Note: this building block refers to “competitive sustainability”

Green and digital transition

Q.1.1. How does the twin transition of the EU chemicals industry (or sector) apply in similar ecosystems outside the EU ?

1500 character(s) maximum

Q.1.2. Describe how the twin transition can contribute to improving global competitiveness of chemicals, especially the competitiveness of its SMEs, and what challenges could potentially create

1500 character(s) maximum

It could support SMEs if it allows simplification in requirements including reducing administrative burden

Q.1.3. Is there a dynamic SME and start-up community in the EU chemicals sector contributing to the transition? Where in the value chains are these SMEs and startups located?

1500 character(s) maximum

Yes, DUCC represents 9000 companies in the chemical sector, the majority of which are SMEs.

Q.1.4. Provide actions that can accelerate the growth and competitiveness of this community.

1500 character(s) maximum

Better regulation including transition timings
Blanket or generic approaches to regulation (MAF, GRA) can result in niche products being taken off the market. These niche products can be important for the competitiveness of SMEs.
Technology agnostic requirements in legislation to allow an effective cooperation along supply chains to tailor the industry solutions.

Resilience

Q.1.5. Identify synergies between chemicals and other ecosystems / industries that can contribute to the twin transition and improve resilience.

1500 character(s) maximum

A key element of success is coherence between all the regulatory instruments and cooperation with all the stakeholders involved

Q.1.6. Provide actions that exploit these synergies to the benefit of the twin transition of the involved ecosystems

1500 character(s) maximum

Q.1.7. How do chemicals benefit from integration in the global economy from the perspectives of supply diversification and sustained demand for industrial output?

1500 character(s) maximum

Q.1.8. Are there strategic dependencies that could hinder the twin transition of chemicals inside and outside the EU?

1500 character(s) maximum

Q.1.9 Provide actions that can alleviate such strategic dependencies

1500 character(s) maximum

Other

Additional comments on “sustainable competitiveness”:

1500 character(s) maximum

Simplification, reducing the administrative burden, harmonized science based approached to legislation and it's implementation

2. Regulation and Public Governance

Green and digital transition

Q.2.1. Are there core regulatory inefficiencies (incl. missing needs) that hamper the twin transition in the chemicals sector ? How could existing regulation have a higher impact on achieving the twin transition by the chemicals sector?

1500 character(s) maximum

Additional regulatory requirements at member state level
Lack of coherence between regulations - duplications and discrepancies
Lack of harmonised enforcement
Lack of predictability in regulatory requirements and timelines
Better regulation toolbox not adhered to with regards to processes

Q.2.2. How could planned revision proposals (e.g. of REACH and CLP) improve the twin transition and the resilience of the chemicals sector?

(Special focus on SME , if possible, without compromising quality of jobs, safety, consumer protection, or other social dimension aims of the existing regulations)

1500 character(s) maximum

Refer to DUCC comments made on CLP and REACH revision and input shared at CARACAL
CLP public consultation response: https://static.ducc.eu/media/file/2022-01/DUCC_Public%20Consultation%20CLP.pdf
CLP targeted consultation response: https://static.ducc.eu/media/file/2022-01/DUCC_Targeted%20Survey%20CLP.pdf
Inception impact assessment of REACH: <https://static.ducc.eu/media/file/2021-09/DUCC%20input%20to%20IIA%20on%20revision%20of%20REACH%202021-05-31.pdf>

Q.2.3. Which public-private partnerships and other public or private initiatives could support the development of solutions for affected value chains?

1500 character(s) maximum

Q.2.4. Are there synergies that can be achieved by better coordination between the different partnerships and initiatives to realise the twin transition of the ecosystem?

1500 character(s) maximum

Synergies with industry voluntary action and schemes

Q.2.5. Are there unmet needs for new regulations or standards to realise the twin transition?

1500 character(s) maximum

Q.2.6. Is regulation predictable and harmonized enough (standardization) across the EU to facilitate the twin transition?

1500 character(s) maximum

No

Resilience

Q.2.7. Are the main regulations directly or indirectly governing chemicals agile enough to accommodate the twin transition and improve the resilience of the ecosystem?

1500 character(s) maximum

Q.2.8. If the main regulations are too rigid and prescriptive, provide revision proposals to make them more flexible without compromising quality of jobs, safety, consumer protection or other social balance aims of the existing regulations.

1500 character(s) maximum

Refer to DUCC comments made on CLP and REACH revision and input shared at CARACAL
CLP public consultation response: https://static.ducc.eu/media/file/2022-01/DUCC_Public%20Consultation%20CLP.pdf
CLP targeted consultation response: https://static.ducc.eu/media/file/2022-01/DUCC_Targeted%20Survey%20CLP.pdf
Inception impact assessment of REACH: <https://static.ducc.eu/media/file/2021-09/DUCC%20input%20to%20IIA%20on%20revision%20of%20REACH%202021-05-31.pdf>

Other

Additional comments on “regulation and public governance”:

1500 character(s) maximum

3. Social dimension

Green and digital transition

Q.3.1. What are the social implications (including for workers) inside and outside of the EU of the green and digital transition in the chemicals sector? Are there specific SME-related social implications?

1500 character(s) maximum

The "Economic Analysis of the Impacts of the Chemicals Strategy for Sustainability" carried out by CEFIC highlighted that the cost impact on Downstream users of adding new CLP hazard classes and applying GRA warrants further exploration. The analysis has shown that 74% of products in scope to be impacted by the addition of hazards to these requirements to CLP are Downstream Uses, covered in large part by DUCC. More than half of them were classified as Professional use products (60%), one quarter of products were classified as Industrial use products (26%), and the remaining are considered Consumer use products (14%). The change to GRA and CLP would also affect the sector's employment. It is estimated that, by 2040, over 40,000 jobs in the EU chemicals sector would be lost against the baseline (to which job losses in Downstream sectors would also need to be added.)
These figures are highly concerning and DUCC urges Commission and authorities to also take account of the impacts of these proposals in their revision of CLP. Downstream regulation will also need to be amended based on these changes.
Ref: <https://cefic.org/app/uploads/2021/12/Economic-Analysis-of-the-Impacts-of-the-Chemicals-Strategy-forSustainability-Phase-1.pdf>

Q.3.2. Provide actions that can accommodate the identified implications if problematic.

1500 character(s) maximum

Less generic, more sector specific, targeted approaches will allow Commission to reach the objectives of the green deal while not incurring as problematic of an impact. Allow for targeted approach.

Q.3.3. How will actions provided in the other building blocks ensure that possible negative social effects do not outbalance the positive effects on the twin transition?

1500 character(s) maximum

Coherence between building blocks

Resilience

Q.3.4. Describe social factors of the chemical industry such as gender balance, gender pay gap, precarious employment, access to labour market for young people, migrants and people with disabilities

1500 character(s) maximum

Lack of incentives for companies to stay in Europe - leads to a gap in experts as the older generation in retiring and lack of on-job training for younger workers

Q.3.5. Provide actions that can ensure a long terms positive effect on the identified social factors and thereby increase the social sustainability of the twin transition of the ecosystem?

1500 character(s) maximum

Q.3.6. What are the effects that new technologies will have on the workforce - for example in terms of health and safety risks, number of people employed, etc.

1500 character(s) maximum

Q.3.7. Provide actions to mitigate negative consequences that the introduction of new technologies would have on the workforce (in terms of health and safety risks; potential job losses, etc.)

1500 character(s) maximum

Other

Additional comments on “social dimension”:

1500 character(s) maximum

4. R&I, techniques and technical solutions

Green and digital transition

Q.4.1. What are the R&I (including technology and prototyping) unmet needs in realising the twin transition of the ecosystem? What existing solutions could already help to achieve the twin transition of the ecosystem?

1500 character(s) maximum

Some examples:

- Foster acceptance on alternatives to animal testing
- Allow the option of placing certain elements of the chemical label from on-pack to online

Q.4.2. Provide actions to meet the identified needs. Include actions identified in the Technology Roadmaps. Use the Horizon Europe Results Platform to identify existing solutions.

1500 character(s) maximum

Q.4.3. Are there barriers to the technology transfer from research institutions to industry?

1500 character(s) maximum

Q.4.4. Provide actions that can overcome the barriers.

1500 character(s) maximum

Q.4.5. Which barriers exist to widespread adoption of new green and digital technologies, techniques and processes in the ecosystem in the Single Market ? Are there specific barriers for SMEs?

1500 character(s) maximum

Legislation that restricts use of certain technologies (e.g. for labelling of chemical products/ CLP, Detergent Regulation)

At the moment different levels of governance (EU/Member States/Regional-Local) set sometimes different regulatory requirements. The different levels of governance should work together with no discrepancies. A common technical language, harmonised methodologies, formats, and performance requirements are crucial requirements for the industry.

Funding

Q.4.6. Provide actions that can overcome the barriers

1500 character(s) maximum

Flexibility in legislation to harness technological developments
Funding

Q.4.7. What techniques or changes to business models could accelerate the twin transition of the ecosystem?

1500 character(s) maximum

Q.4.8. Provide actions to identify and promote such techniques and business models.

Resilience

Q.4.9. What events could put at risk the development or adoption of technology necessary for the twin transition of the chemicals sector?

1500 character(s) maximum

Q.4.10. Provide actions that can prepare the chemicals sector or improve the adaptability for such disruptions.

1500 character(s) maximum

Q.4.11. Are there value chains for key technologies to the twin transition for the chemicals sector that are vulnerable to events in third countries or internally in the single market?

1500 character(s) maximum

Energy resources from outside the EU
Dependency of ingredients from outside the EU

Q.4.12. Provide actions to alleviate the vulnerabilities

1500 character(s) maximum

Other

Additional comments on “R&I, techniques and technical solutions”:

1500 character(s) maximum

5. Infrastructure

Green and digital transition

Q.5.1. Are there unmet infrastructural needs that constitute a barrier to the twin transition of the chemical industry?

1500 character(s) maximum

Q.5.2. Provide actions to meet the identified needs, with a special focus on SME-specific needs.

1500 character(s) maximum

Resilience

Q.5.3. Are there infrastructural barriers that pose a risk to the long-term sustainability of the twin transition of the chemical industry?

1500 character(s) maximum

lack of incentives for companies to stay in Europe

Q.5.4. Provide infrastructure initiatives that could strengthen the long-term sustainability of the twin transition of the chemical industry

1500 character(s) maximum

Q.5.5. What events could put at risk the infrastructures necessary for the twin transition of the chemicals sector?

1500 character(s) maximum

Q.5.6. Which actions could alleviate such risks.

1500 character(s) maximum

Other

Additional comments on “infrastructure”:

1500 character(s) maximum

6. Skills

Green and digital transition

Q.6.1. What unmet skill needs exist in the workforce at all levels of the chemical industry to realise the twin transition? Where does reskilling of workers need to happen?

1500 character(s) maximum

Q.6.2. Provide actions to meet the identified needs and suggest ways of tackling SME-specific skills challenges.

1500 character(s) maximum

Q.6.3. Do cultural and mind-set barriers to the twin transition exist in the chemical industry?

1500 character(s) maximum

Q.6.4. Provide actions that can overcome the barriers.

1500 character(s) maximum

Resilience

Q.6.5. Is the workforce adequately supported and equipped enough to realise the twin transition and improve the resilience of the chemical industry?

1500 character(s) maximum

Q.6.6. Provide actions that can support the workforce to be better equipped to realise the twin transition and improve the resilience of the ecosystem.

1500 character(s) maximum

Q.6.7 How will the twin transition impact the level of attractiveness of the chemical industry as a workplace?

1500 character(s) maximum

Q.6.8 What actions can be taken by the sector itself to retain or even increase its level of attractiveness for new talents?

1500 character(s) maximum

Other

Additional comments on “skills”:

1500 character(s) maximum

7. Investments and funding

Green and digital transition

Q.7.1. What will be the main drivers for investments into the green and digital transition of the chemical sectors?

Are there any systemic barriers specifically for the chemical industry to access to funding for the twin transition particularly for SMEs?

2000 character(s) maximum

Q.7.2. Provide actions that can overcome the barriers, increase the confidence of investors and create a business case for the EU chemical industry.

1500 character(s) maximum

Q.7.3. Map the most important actors in the private investment environment for development and adoption of green and digital solutions in the chemical industry.

1500 character(s) maximum

Q.7.4. Provide actions that can fill key unmet investment needs identified in the mapping.

1500 character(s) maximum

Q.7.5. Map the EU funding schemes or key national/regional funding programmes that are relevant to the twin transition of the chemicals stakeholders

1500 character(s) maximum

Q.7.6. Provide actions that can fill key unmet funding needs identified in the mapping.

1500 character(s) maximum

Resilience

Q.7.7. Provide investment initiatives that could strengthen the resilience of the ecosystem.

1500 character(s) maximum

Other

Additional comments on “investments and funding”:

1500 character(s) maximum

8. Access to energy and Feedstock

Green and digital transition

Q.8.1. What are the existing barriers of the chemical industry to access renewable energy needed for the twin transition?

1500 character(s) maximum

Q.8.2. Provide actions to alleviate the barriers mentioned in the previous question.

1500 character(s) maximum

Q.8.3. What are the existing greener alternatives to chemical production?

1500 character(s) maximum

Resilience

Q.8.4. What event could put at risk the access to feedstock?

1500 character(s) maximum

Q.8.5. What actions could alleviate these risks?

1500 character(s) maximum

Other

Additional comments on “access to energy and feedstock”:

2000 character(s) maximum

End of survey

This is the end of the survey. Final request of contact details:

* Name and Surname of the respondent:

Giulia Sebastio

* Organisation:

Downstream User of Chemicals Coordination Group (DUCC)

* Email address:

giulia.sebastio@aise.eu

Possibility to contact you on the replies provided to this survey:

- ☒ I **agree** to be contacted by email on the replies provided to this survey
- ☐ I **do not agree** to be contacted by email on the replies provided to this survey

Additional remarks you wish to share with DG GROW on this survey:

2000 character(s) maximum

The response to this survey remains high level due to the lack of time that was given for input. For more detailed input we would require questions to be more tailored to the industry viewpoint, for deadline for comments to be done (as a minimum) following the Commission's better regulation timelines. The points that are raised by this topic; of ensuring a transition pathway for chemical industry, are crucial. They require adequate time for discussion rather than to be a "tick-box" exercise.

Free Text Question

Free Text Question

Background Documents

PPT kick-off meeting 16.02.2022

Contact

GROW-CHEMTP@ec.europa.eu