

# Jobs and growth start with the real economy

**T**oday, industry contributes some 15% of European GDP and – alarmingly – investment in industry is in decline. To restore its economic health, the EU has set the ambitious goal for industrial activity to contribute 20% of GDP by 2020.

## Action needed now

Investment in primary production is falling. Europe is failing to keep pace with technology advances in some areas and some of today's European industrial value chains are at risk.

## Global mindset vital

European industry has to compete in global markets. If present trends are to be reversed, European authorities should ensure that all EU policies and initiatives take full account of global competition and underpin the aim of increasing Europe's competitiveness.

Cefic: the voice of the European chemical sector and innovation

Cefic represents 29,000 large, medium and small chemical companies in Europe, which directly provide 1.2 million jobs and account for 20% of world chemical production. We are a committed partner to EU policymakers, facilitating dialogue with industry and sharing our broad-based expertise. Based in Brussels since our founding in 1972, we interact on behalf of our members with international and EU institutions, non-governmental organisations, the international media, and other stakeholders.

## To ensure the competitiveness of the chemical industry, the EU will need to:

- **Coordinate energy policy and ensure it is competitive.** Anything that increases energy costs in Europe relative to those of our competitors harms competitiveness. Europe should ensure reliable energy supplies at competitive prices.
- **Pursue a responsible climate policy.** The goal of a competitive, low carbon economy should not be pursued 'at any price' and cannot be achieved by making the European economy less competitive.
- **Promote innovation.** Meeting the many challenges facing European society will require innovation and investment in doing new things and doing things differently.
- **Provide regulatory stability and consistency.** Within the highly regulated EU, high costs of regulatory compliance are a brake on industrial competitiveness. This burden is increased unnecessarily by frequent changes to regulations that add extra costs, uncertainty and risks for investors, driving away investment and job creation.
- **Deliver open markets.** The chemical industry competes globally and depends on free trade and open markets – both for its raw materials and to sell many of its products.
- **Ensure access to raw materials.** The chemical industry has endorsed the EU raw materials strategy for mineral raw materials (rare earths and other minerals). The industry is closely involved in developing the bio-economy.
- **Address skills and people mobility.** As our population ages, our industry faces a large and growing need to attract new talent to chemistry.
- **Maintain and develop first-class logistics.** Increasing clustering of European manufacturing and growing interconnections between production plants make competitiveness more and more dependent on a high-quality EU transport infrastructure.