



The EU's chemical industry underpins the manufacturing of nearly all goods across most economic sectors.

## The EU chemical sector



**EUR 655 billion** in turnover in 2023



Contributes to more than **96%** of manufactured goods



**1.2 million** direct jobs



**19 million** jobs across other supply chains

The European chemical industry is facing significant pressures on its competitiveness, such as high energy costs or high investment needs to achieve net-zero, estimated at up to EUR 14 billion.

# Key measures of the Action Plan for the chemical industry include:

### Maintaining critical production in the EU

- Launching a Critical Chemicals Alliance to identify key chemical productions in the EU

## Secure affordable energy supply, building on the Affordable Energy Action Plan

- Updating the Emissions Trading Scheme (ETS) state aid guidelines to address ETS indirect cost compensation, supporting additional industries

## Supporting the shift to a circular economy

- Promoting chemical recycling, resource efficiency and bio-based alternatives to fossil-based inputs

## Assisting the sector on its decarbonisation journey

- Supporting EU Critical Chemical Sites for innovation, high-quality jobs, and investments

## EUR 363 million in savings annually through simpler rules

#### Further simplification measures to:

- Cut unnecessary costs and reduce administrative burden for companies and authorities
- Maintain the highest level of protection of human health and the environment
- Save at least EUR 363 million per year through better efficiency and simpler but equally protective rules

#### Simplification in the following areas:



## Classification, labelling and packaging of products

- Simplify formatting rules for hazardous chemicals
- Lighten obligations for advertisements
- Exclude professional transactions from the specific obligations on advertisements and distance sales
- Clarify labelling of fuelling stations
- Simplify labelling rules



#### Cosmetics

- Define procedural timelines and transitional periods for the cosmetics industry
- Provide guidance on use of natural complex substances in cosmetics
- Streamline derogation criteria which allow, under strict conditions the use of carcinogenic substances in cosmetics



#### **Fertilisers**

- Streamline information requirements by applying the standard REACH registration requirements
- Pave the way for more efficient assessments of micro-organisms for use in plant biostimulants
- Advance digitalisation of documentation and reporting requirements