

EU27 Chemical Industry: Latest Developments:

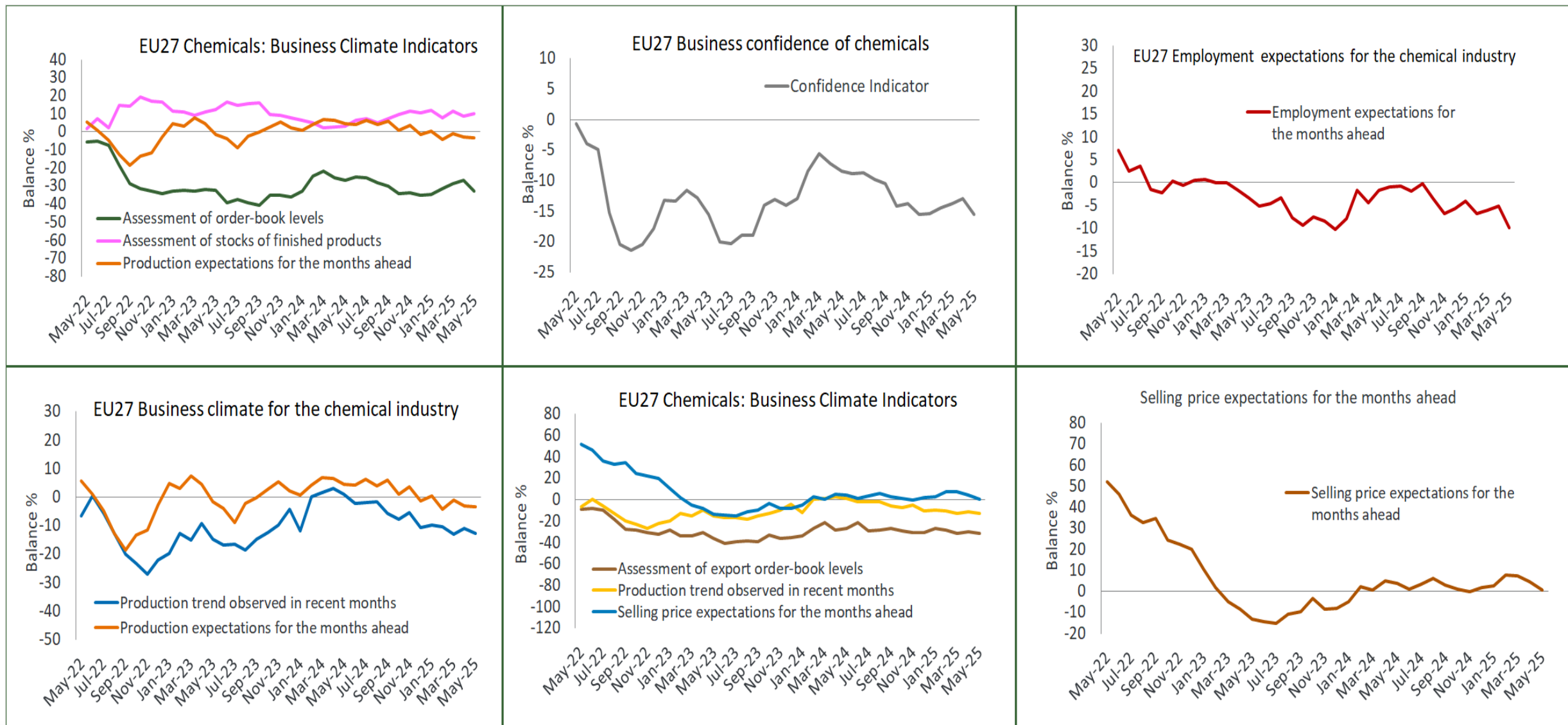


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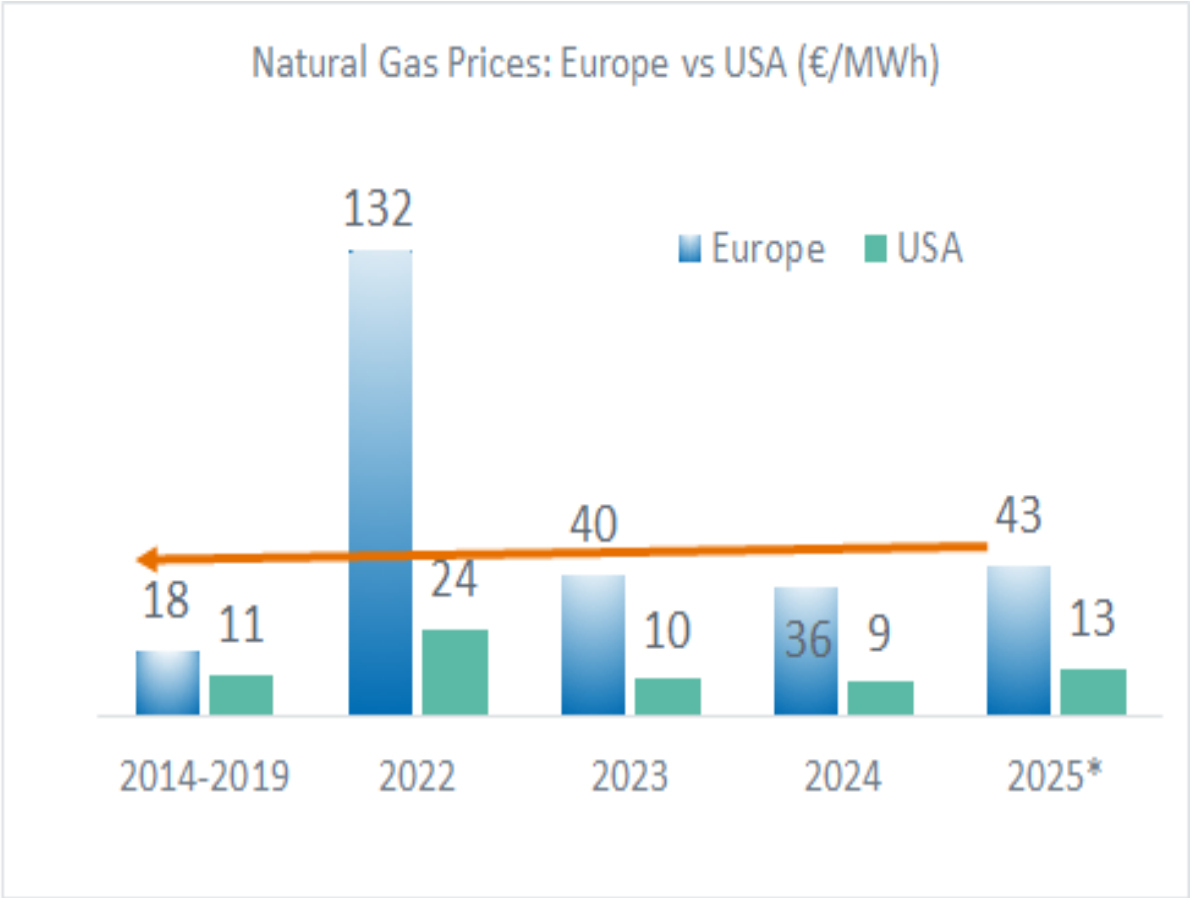
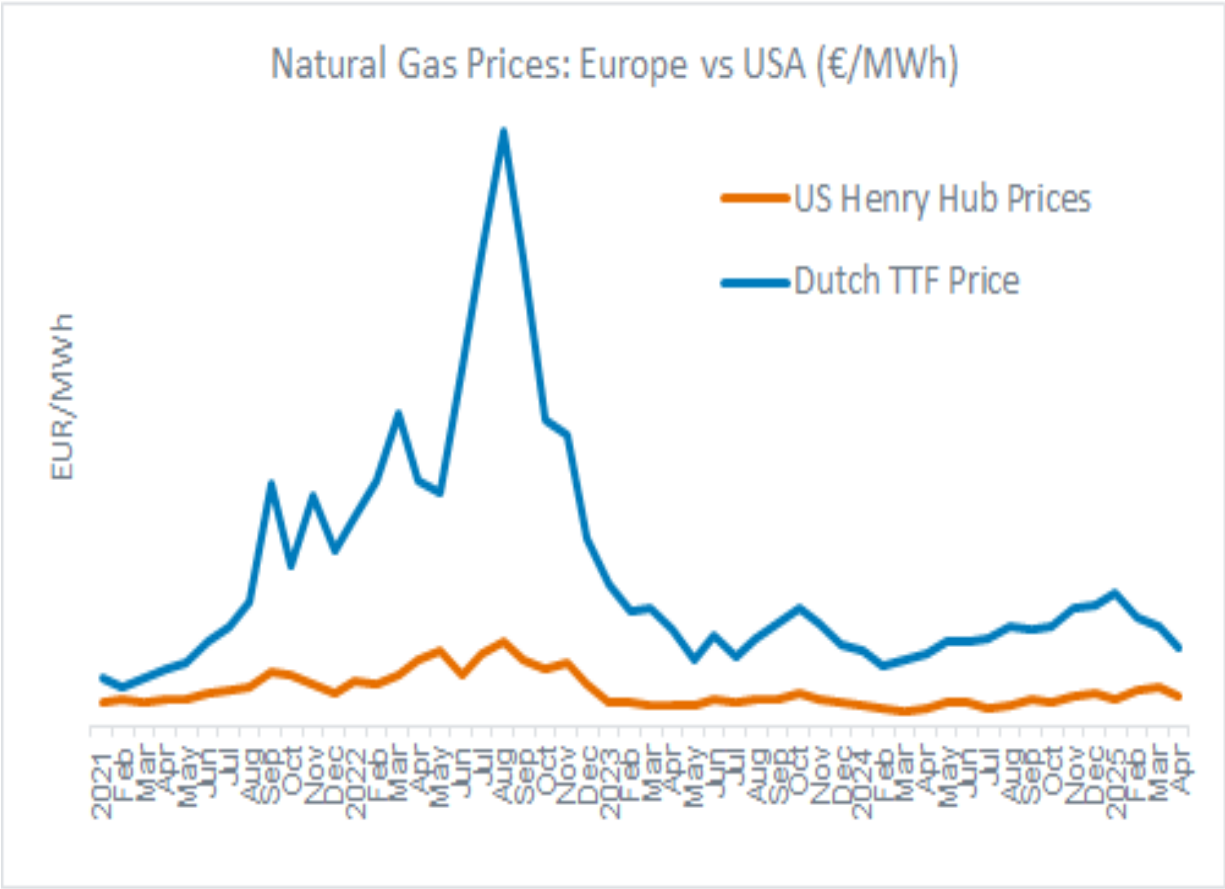
Demand for EU27 chemicals remains limited since March 2022



Source: EU Commission business and consumer survey results: Answers obtained from the surveys are aggregated in the form of balances, constructed as the difference between the percentages of respondents giving positive and negative replies.

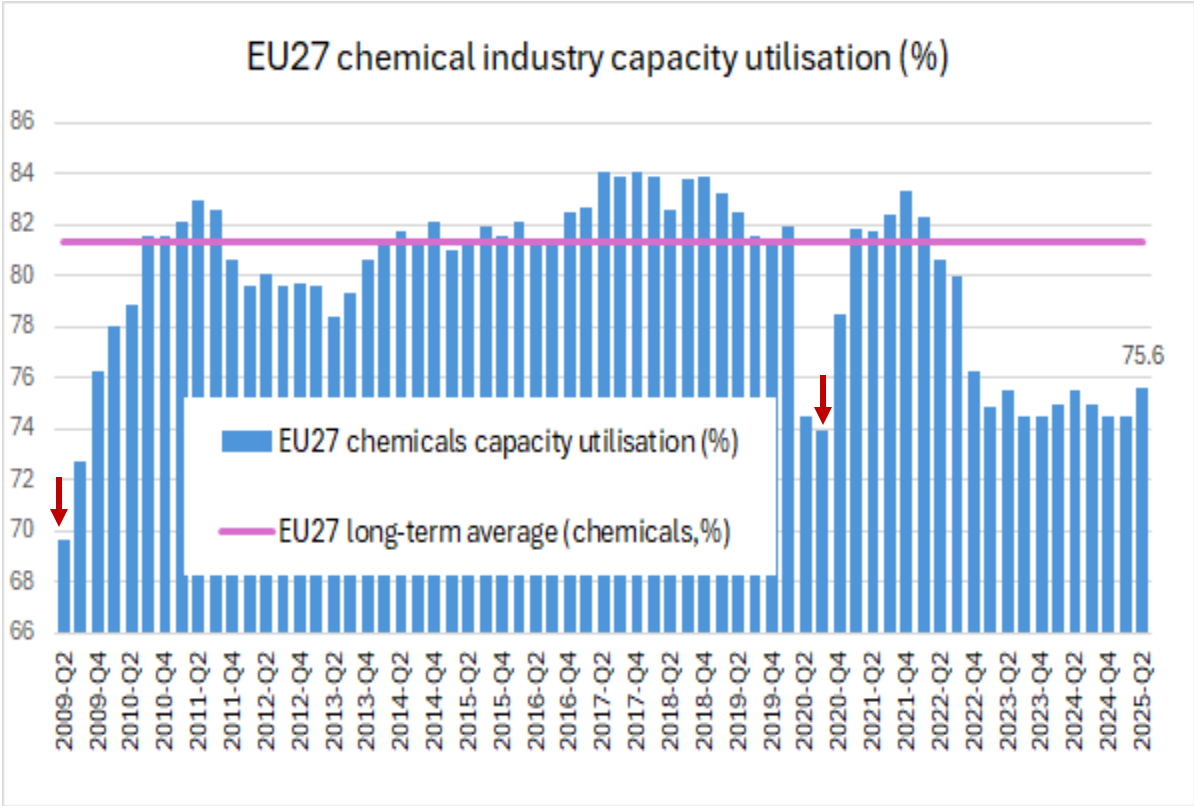
European gas prices remain above the pre-crisis levels (2014-2019)

Gas prices in Europe in 2025 (Jan-Apr): 2.3 times higher than pre-crisis levels (2014-2019)

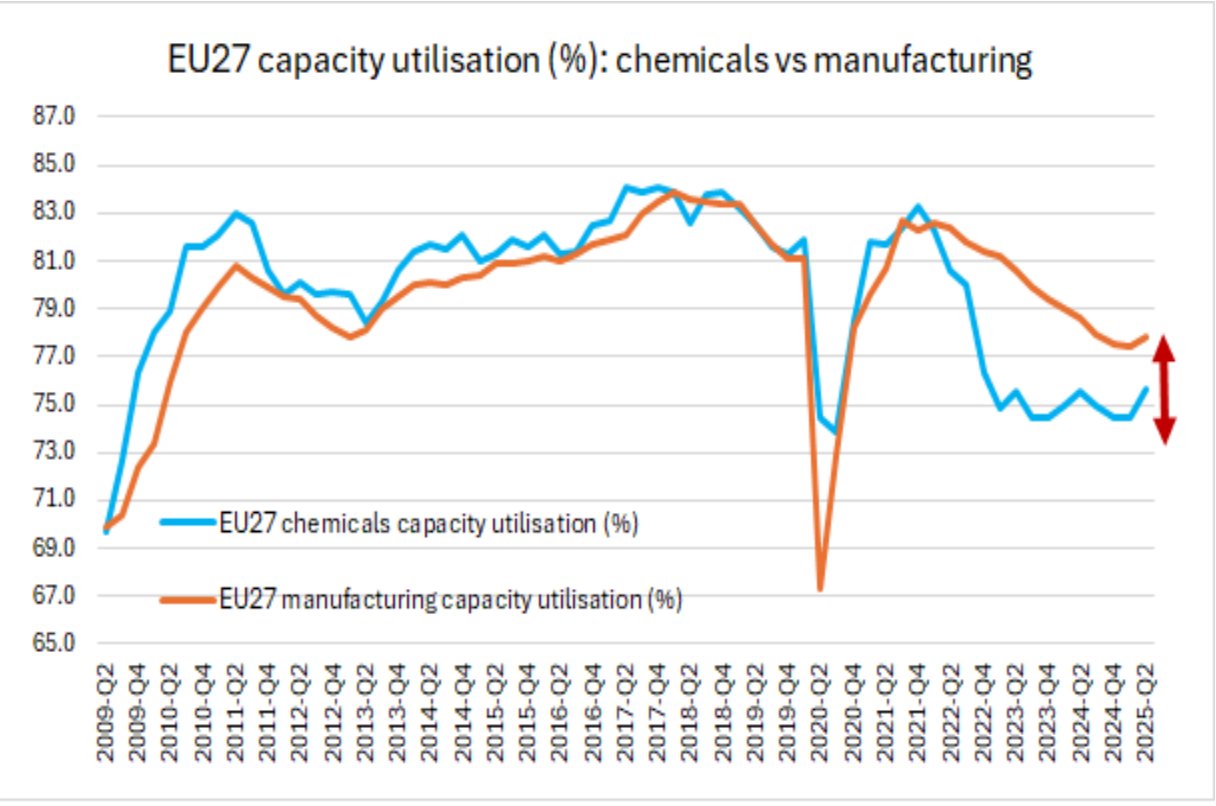


EU27 chemicals capacity utilisation remains steadily low (75.6%)

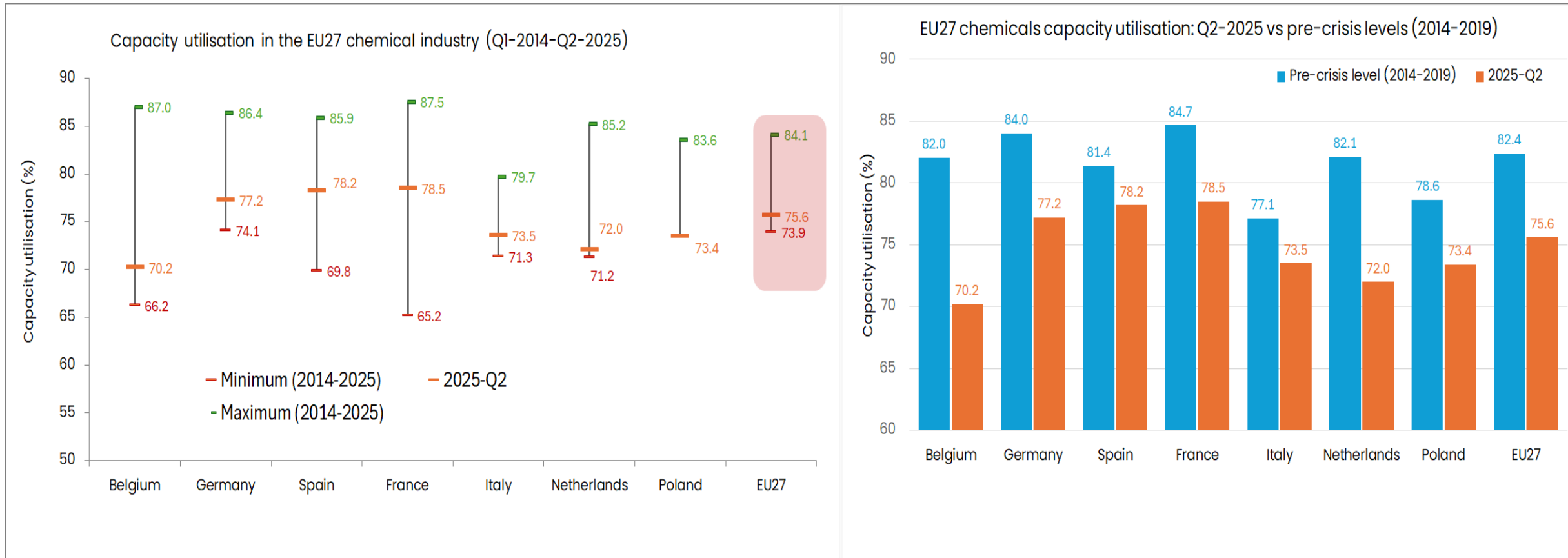
EU27 chemicals capacity utilisation slightly increased in Q1-2025



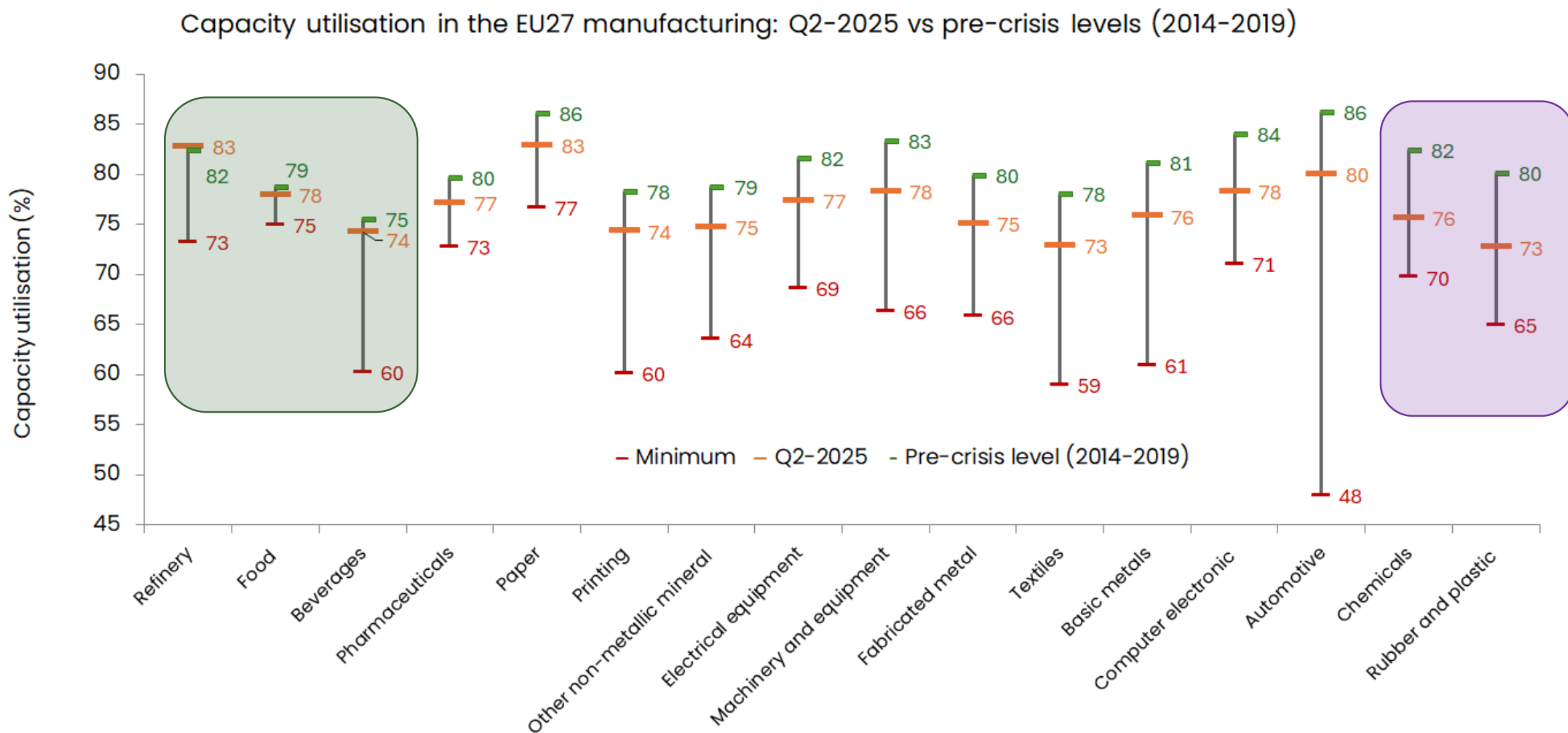
Chemicals capacity utilisation remains well below the manufacturing's levels



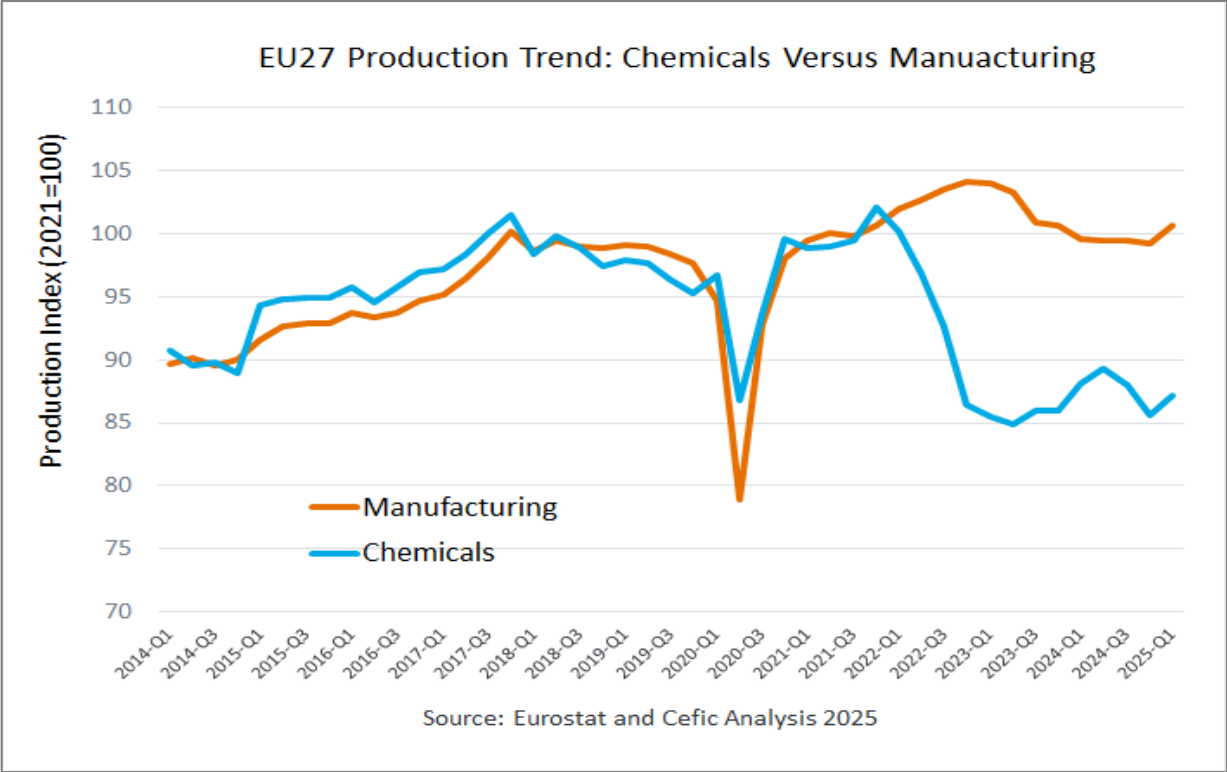
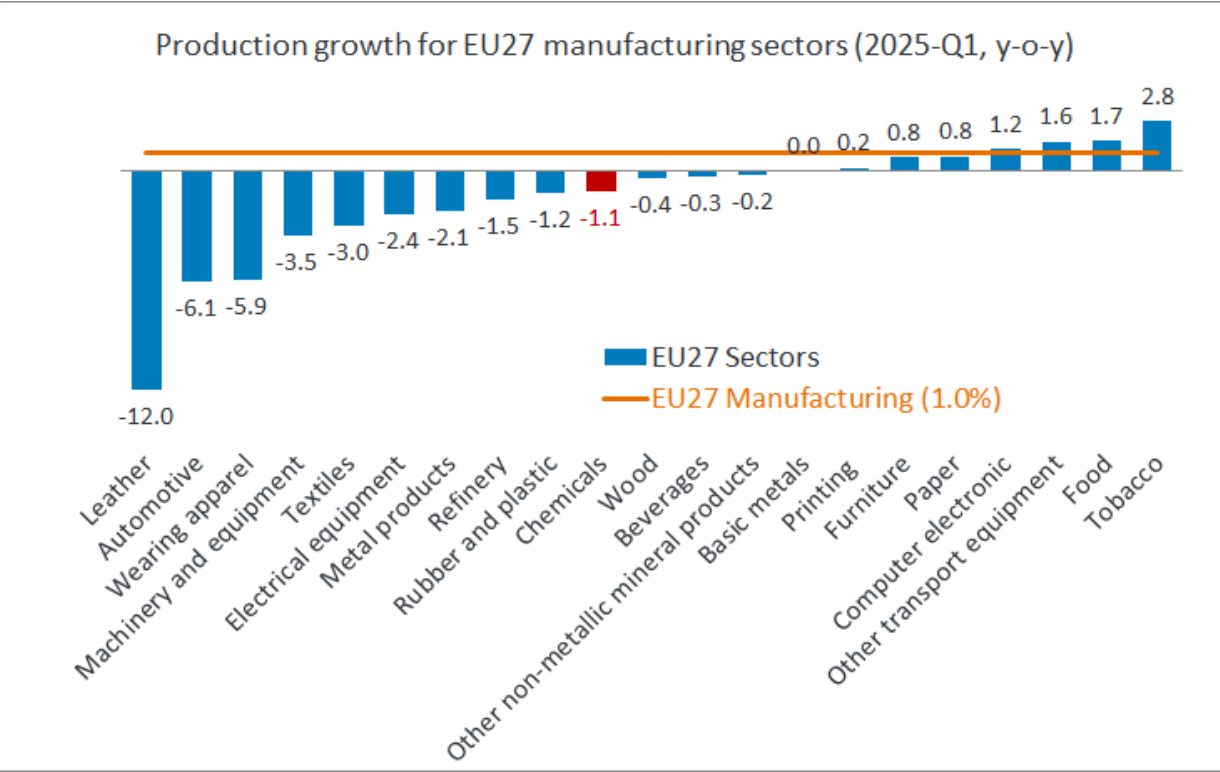
EU27 chemicals operating at 8.2% below pre-crisis capacity (2014–2019)



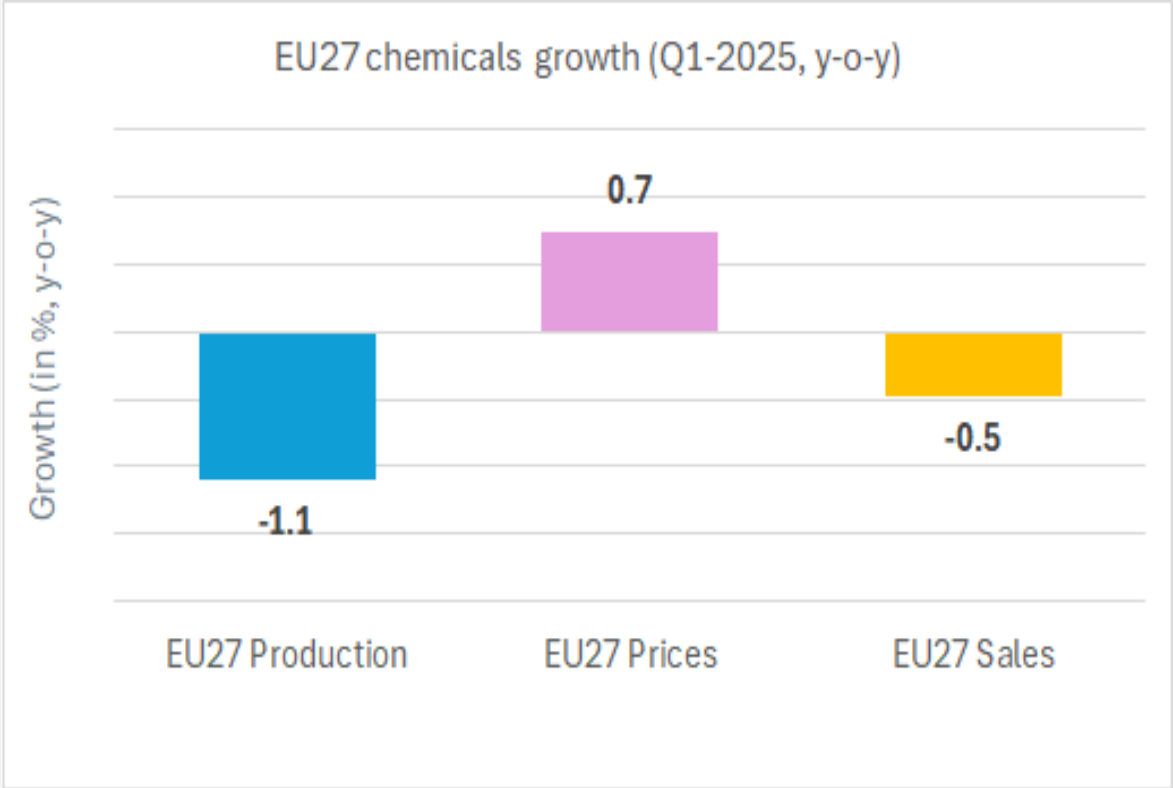
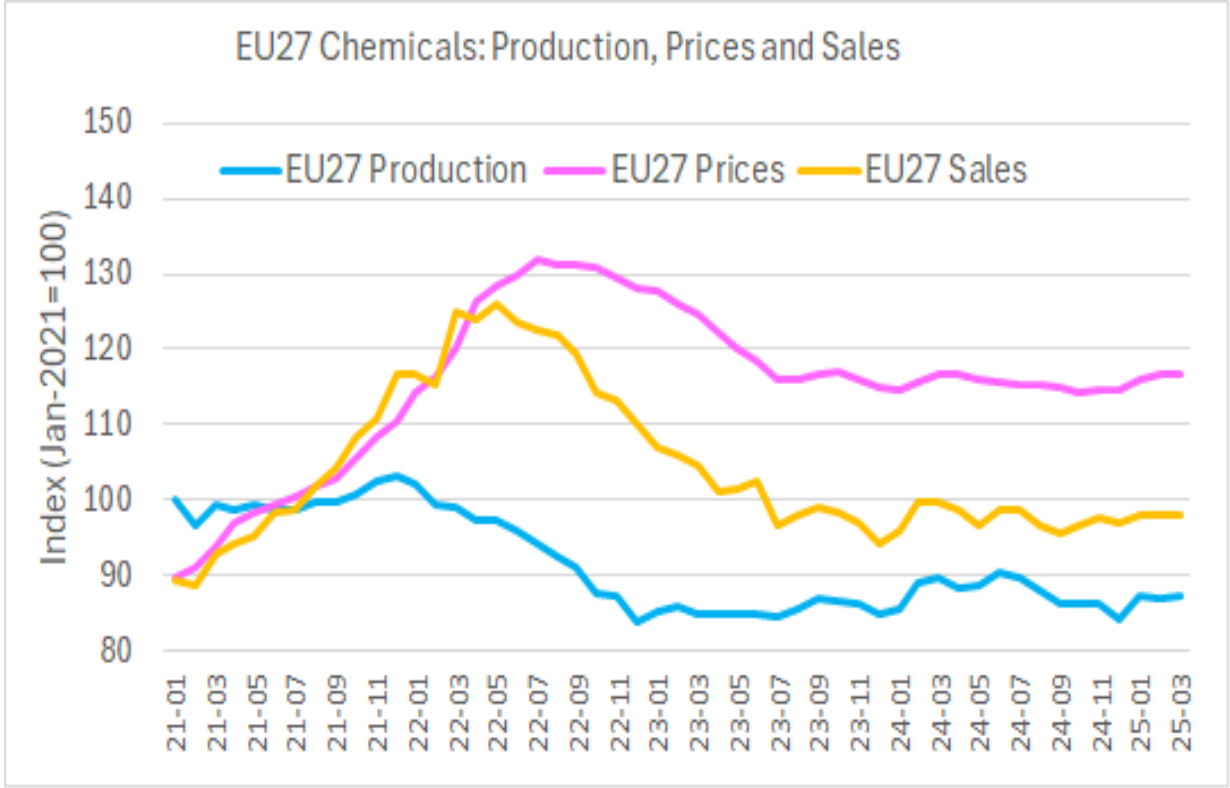
EU27 manufacturing capacity lags 4.9% behind pre-crisis levels



EU27 chemical industry lacks a strong domestic demand

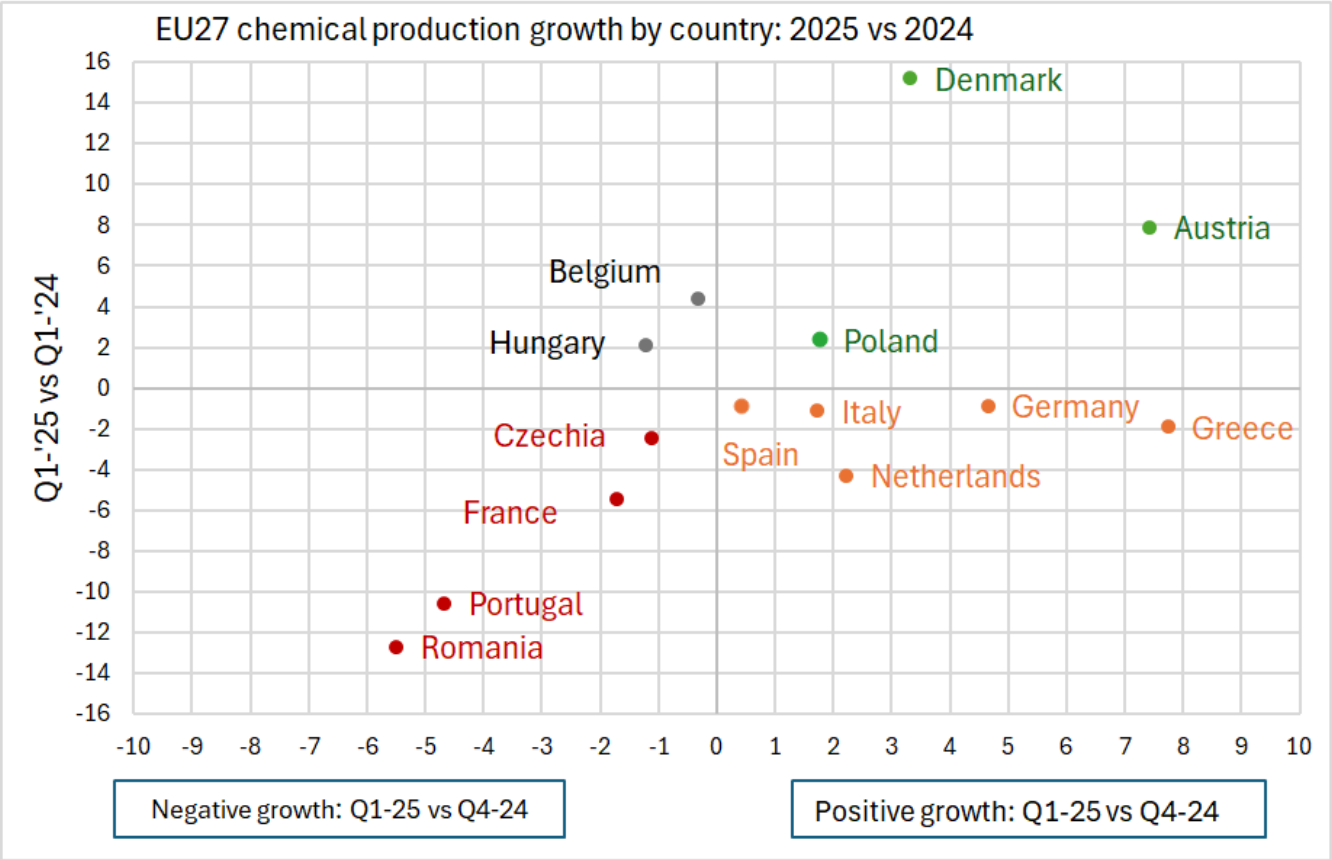


Weak demand and high energy costs continue to weigh on EU27 chemicals production



EU27 chemical production growth by country: Q1-2025 vs 2024

Chemical Production Index	2024-Q1	2024-Q4	2025-Q1	Q1-'25 vs Q4-'24	Q1-'25 vs Q1-'24
Latvia	98.0	95.1	84.5	-11.1	-13.8
Romania	86.6	80.0	75.6	-5.5	-12.7
Portugal	54.8	51.4	49.0	-4.7	-10.6
France	96.8	93.1	91.5	-1.7	-5.5
Bulgaria	98.8	103.6	95.2	-8.1	-3.6
Czechia	89.6	88.4	87.4	-1.1	-2.5
Hungary	71.9	74.3	73.4	-1.2	2.1
Belgium	88.2	92.4	92.1	-0.3	4.4
Netherlands	86.5	81.0	82.8	2.2	-4.3
Greece	104.9	95.5	102.9	7.7	-1.9
EU27	88.1	85.6	87.1	1.8	-1.1
Italy	89.2	86.7	88.2	1.7	-1.1
Germany	81.6	77.3	80.9	4.7	-0.9
Spain	96.2	95.3	95.7	0.4	-0.5
Poland	101.2	101.8	103.6	1.8	2.4
Austria	89.9	90.3	97.0	7.4	7.9
Denmark	97.2	108.4	112.0	3.3	15.2
Lithuania	80.1	93.4	97.3	4.2	21.5



←→

Q1-25: Production above Q4-24 and above Q1-24 (+,+)

←→

Q1-25: Production above Q4-24 and below Q1-24 (+,-)

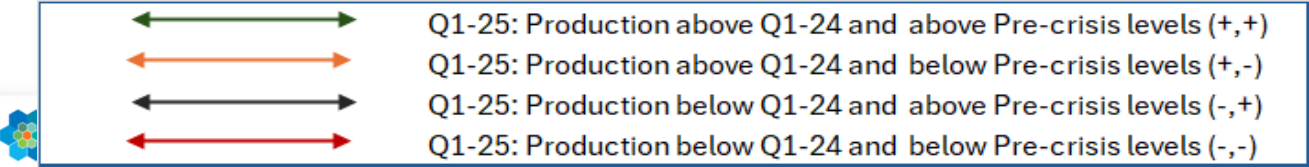
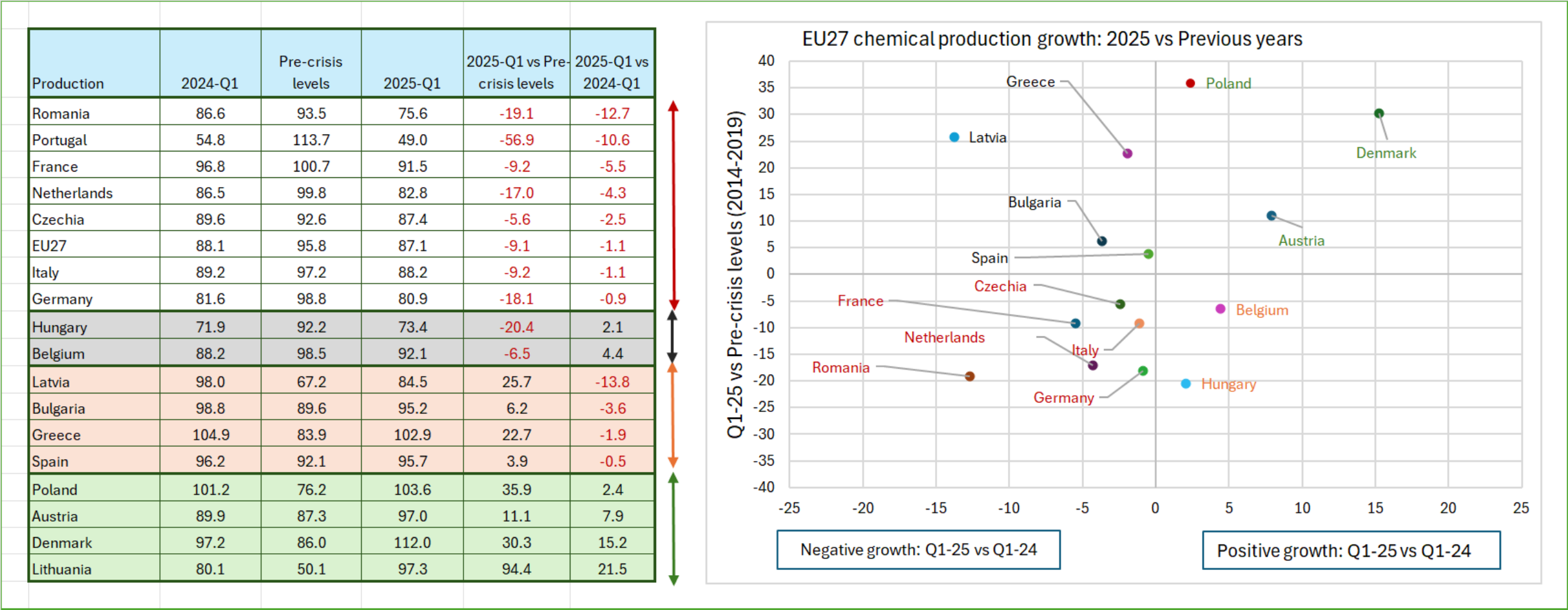
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Q1-25: Production below Q4-24 and above Q1-24 (-,+)

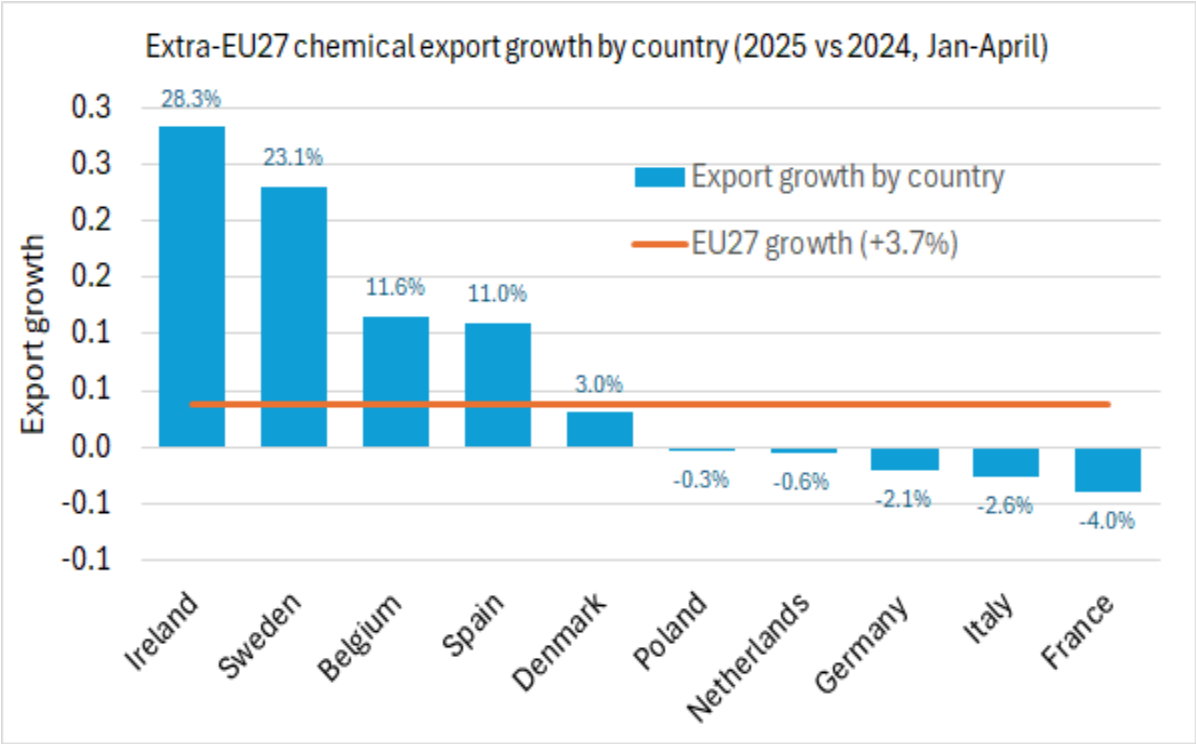
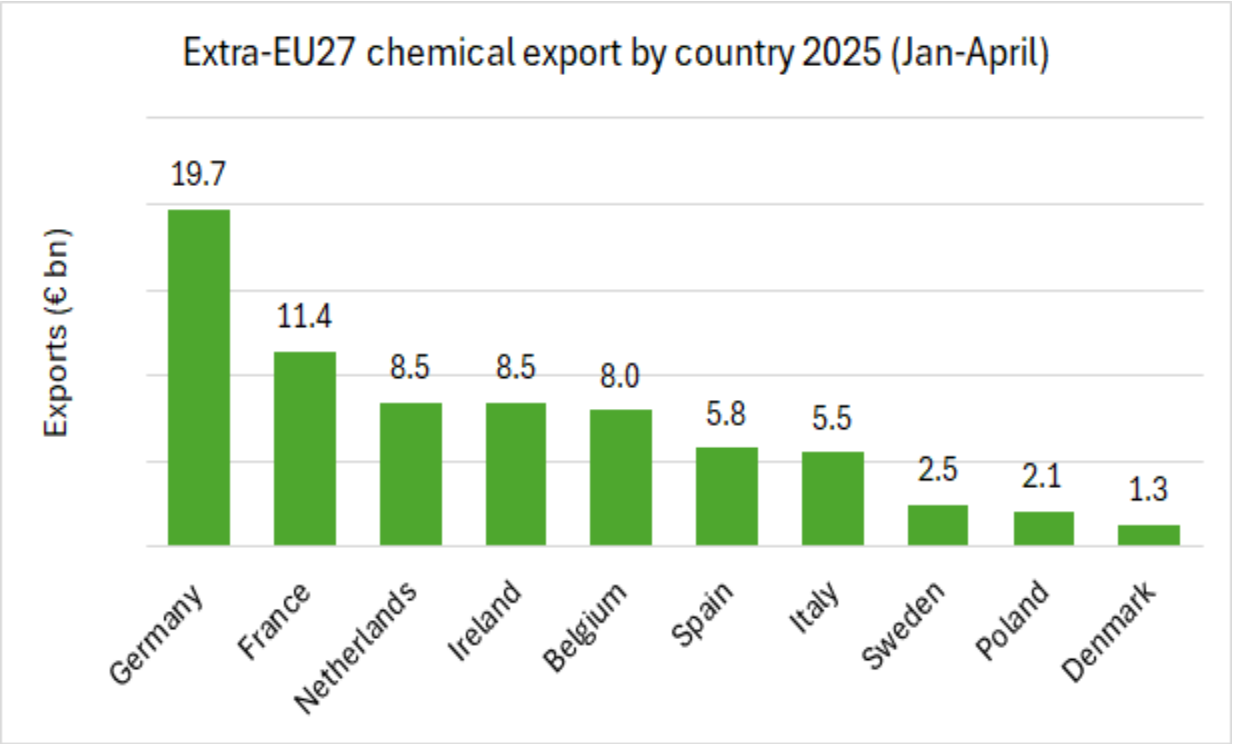
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Q1-25: Production below Q4-24 and below Q1-24 (-,-)

EU27 chemical production growth by country: Q1-2025 vs previous years



Germany: Europe's leading chemical exporter with 25% market share

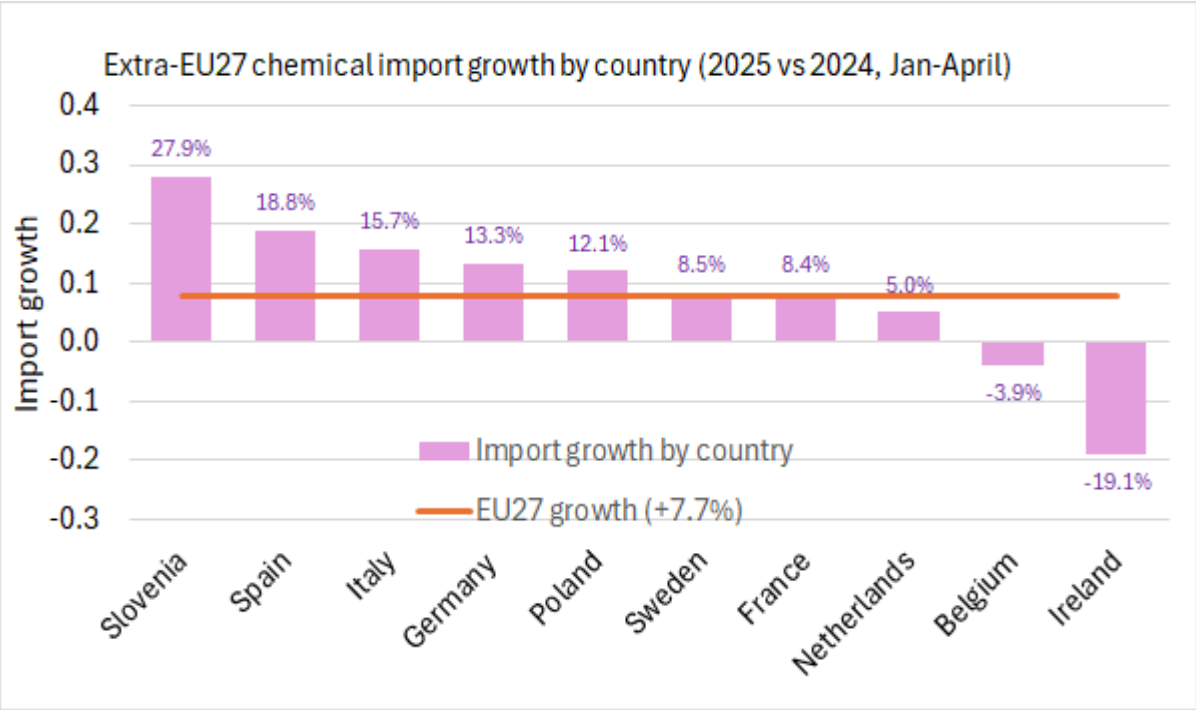
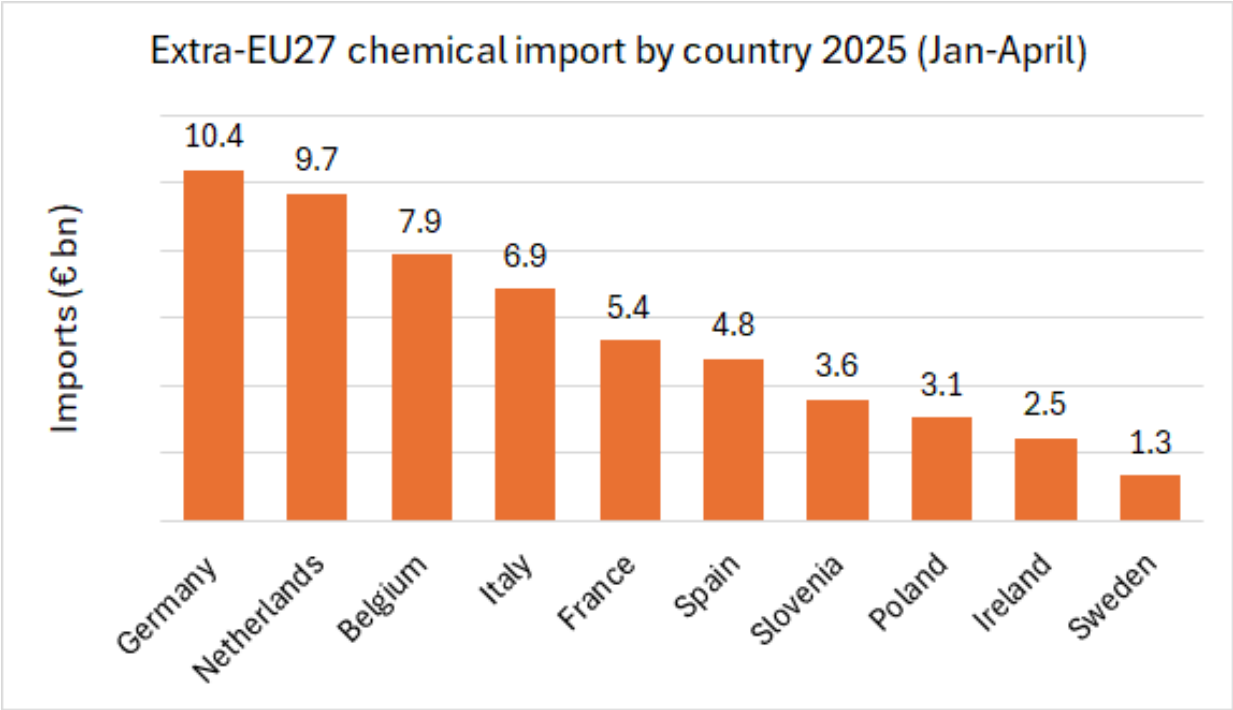


With €19.7 bn, Germany accounts for 25% of Extra-EU27 chemical exports (€78.8 bn, Jan-April)

Extra-EU27 chemical exports 2025: 3.7% above 2024 results (Jan-April)



Germany: Europe's top chemical importer, holding a 16% share

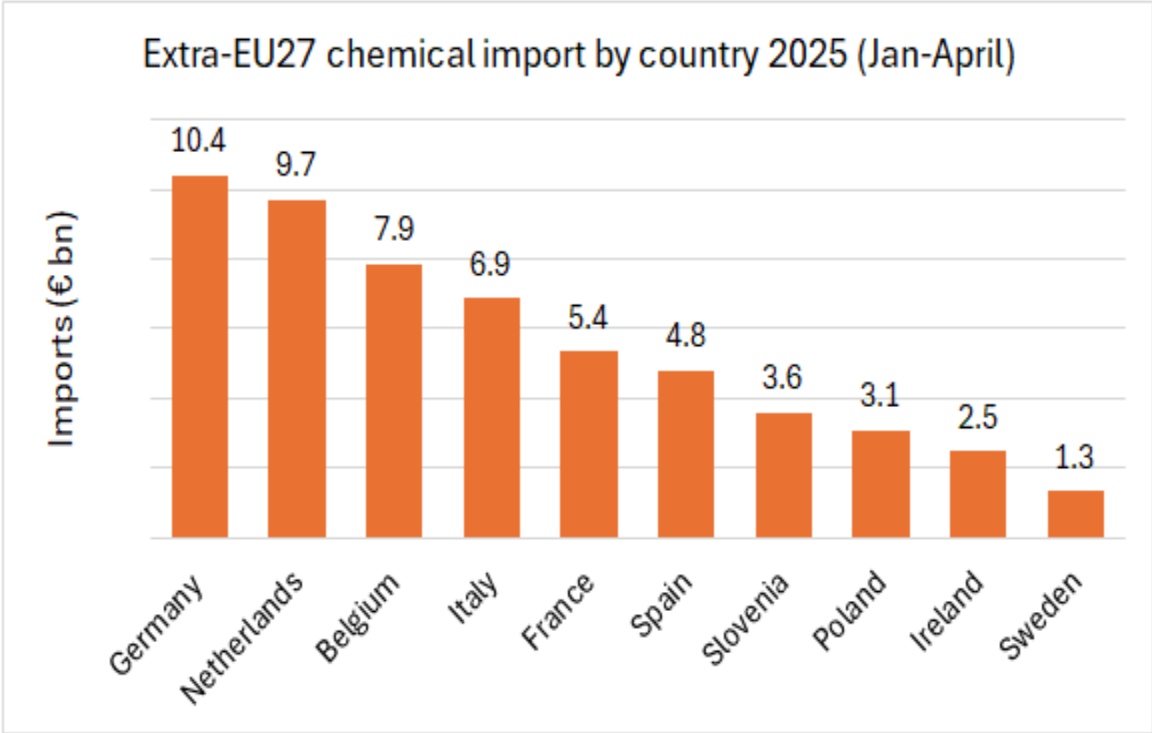
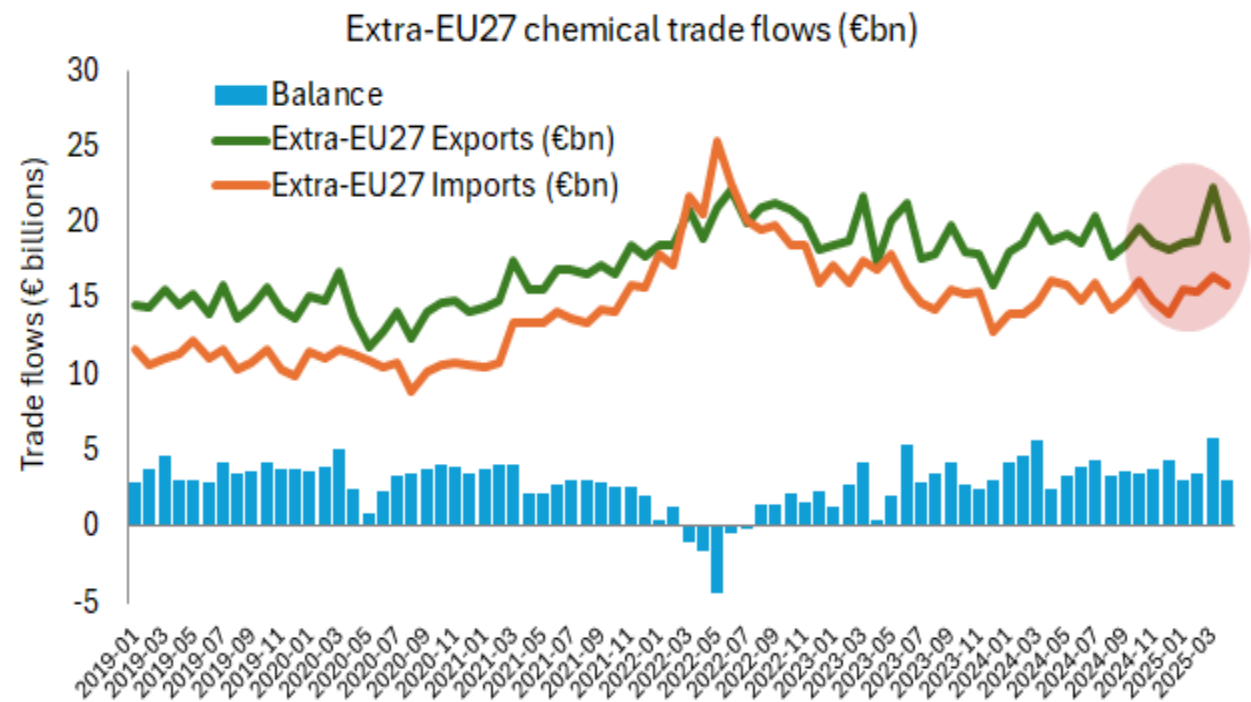


With €10.4 bn, Germany accounts for 16% of Extra-EU27 chemical imports (€63.4 bn, Jan-April)

Extra-EU27 chemical imports 2025: 7.7% above 2024 results (Jan-April)



EU27 chemical trade surplus 2025*: 10% below 2024 results



euro bn	Exp	Imp	Balance	Trade
2024 (Jan-Apr)	76.0	58.9	17.1	135
2025 (Jan-Apr)	78.8	63.4	15.4	142
Delta	2.8	4.6	-1.7	7.4
2025/2024	3.7%	7.7%	-10%	5.5%

2025: EU27 chemicals trade surplus amounted to €15.4 bn in 2025*, down from €17.1 bn in 2024 (-10%)



Source: Eurostat and Cefic Analysis 2025, *exports - imports, (Jan-Apr, €bn), Nace 20 only

EU27 chemical business: weak start in 2025

- The competitiveness of the sector in Europe remains well below pre-crisis levels (2014-2019 average) driven by a combination of weak demand and uncompetitive energy prices. This is particularly an issue for commodity products and petrochemicals, where China has a competitive edge through large-scale production and low production costs.
- Compared to the USA, European gas prices were 3.2 times higher during Jan-April 2025, maintaining European producers at a competitive disadvantage. Since March 2022, the EU27 chemicals business environment has been facing a limited demand and declining business confidence, intensified by geopolitical uncertainty.
- The EU27 chemicals capacity utilisation is a key concern. It remains well below the EU's long-term average and has been well below the US average since Q3-2022. The weak demand and declining business confidence continue to challenge the EU27 chemical industry.
- Trade dynamics further reflect the strain. While a decrease in trade surplus was observed in 2025 in comparison to 2024, driven by higher import rates. EU27 chemicals trade surplus amounted to €15.4 bn in 2025 (Jan-Apr), down from €17.1 bn in 2024 (-10%).
- Recovery remains uncertain. Demand increase is expected to be limited due to weak economic conditions in Germany and the USA. The business trade environment in which European chemical companies are operating is exposed to high risks due to the unprecedented, global trade disruptions caused by US tariffs. Growth of EU27 chemicals output is projected to decline in 2025, reversing the 2.5% growth achieved in 2024.

