

The EU chemical industry regains confidence following the overall economic recovery

Brussels, December 7, 2017. - Cefic, the European Chemical Industry Council, is expecting a solid 3% growth of the chemical output in the EU in 2017, driven by a growing demand from customer industries. A slight deceleration to around 2% is forecast for 2018.

Responsible for 1.1% of EU's GDP and employing 1.2 million people, the EU chemical industry supplies virtually all sectors of the economy and is the third largest investor in EU manufacturing industries.

The recovery of the chemical sector follows the overall economic growth in the EU in the first three quarters of 2017, driven by a robust consumer demand as well as investments in new production capacities. The growth of the EU manufacturing production, primarily in the automotive, construction, metal production and electronics sector, has led to an increased domestic demand for chemicals. Furthermore, the exports of the EU-produced chemicals to, among others, Asia and Russia have increased.

Marco Mensink, Cefic Director General: *"The momentum is growing for the EU chemical industry to achieve its maximum production volumes. This will not only help economic growth but will also drive innovation as the solutions provided by the chemical industry help develop cutting-edge technologies and processes in nearly all sectors of the EU economy from consumer electronics to medicines. The chemical industry's contribution is also key in shaping the transition to a resource efficient, low-carbon and circular economy."*

Although the 2018 industry outlook looks rather positive, the chemical industry remains at risk of investment leakage due to high energy and feedstock prices as well as carbon costs under EU ETS.

The EU chemical industry is facing fierce competition from China and NAFTA countries who currently dominate the global chemicals market. To this end, Cefic will continue working with the European Commission and Member States to further develop the Renewed EU Industrial Policy Strategy in order to improve the EU's competitiveness vis-à-vis other regions, attract more investments into the sector and create more jobs.

The 2017 Facts & Figures of the European Chemical Industry are available here <http://www.cefic.org/Facts-and-Figures/>

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Cefic's Economic Affairs Manager Moncef Hadhri is also available to discuss the details of the forecast. He can be reached on +32 (0)2 676 72 82 or mha@cefic.be.

About Cefic

Cefic, the European Chemical Industry Council, founded in 1972, is the voice of large, medium and

small chemical companies across Europe, which provide 1.2 million jobs and account for 15.1 % of the world chemicals production.