

ECRN Congress

Chemical Industry a Driver For Competitiveness, Growth and Jobs

Ústí nad Labem (CZ)

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Association of Chemical Industry of the Czech Republic SCHP ČR

- **Represents prevailing part of chemical industry**
- **Founded in 1992 as a voluntary association of production, trading, design, research and development and consultancy organisations with relations to petrochemical, chemical, pharmaceutical, plastics and rubber industry**

Vision

- **Association of Chemical Industry of the Czech Republic (SCHP ČR) is the most important instrument of chemical industry business activities support in the Czech Republic**

Mission

- **To conduct active representation and lobbying advocacy of chemical industry interests and namely interests of members of the Association of Chemical Industry of the Czech Republic**
- **To support chemical industry development, environment protection, operation safety, and approachable social climate.**

Strategy

Competitiveness is a must !

- **Work upon the legislation and the executive of the Czech Republic in such way as to promote chemical business for the benefit of the members of SCHP ČR**
- **Work upon the legislation within EU, influencing the decisions of EU bodies for the benefit of the members of SCHP ČR**
- **Creating a positive image of the chemical industry**
- **Supporting R+D+I**
- **Conducting a dialogue with social partners**
- **Supporting „chemical“ regions**

SCHP ČR and Chemical Industry in the ČR

- **Chemical industry CZ**
 - 3rd sector in turnover – over 500 billion CZK (19 billion EUR), over 115.000 employees , 14% of industrial GDP
- **SCHP ČR**
 - Member of Cefic (European Council of Chemical Industry), ECEG (European Chemical Employers Group)
 - Member of Confederation of Industry and Transport (CZ)
 - Close cooperation with ECRN on projects
- ***ReachSpektrum Ltd.*** – 100% daughter company of SCHP ČR, rendering services linked to REACH in particular.

representing chemical industry

- **141 subjects**
 - **62 producers**
 - **32 traders and distributors**
 - **also R&D institutes, schools and universities and others**
- **91 individual members**
- **4 collective members**
 - **AVNH ČR (Association of Paint Manufacturers of the Czech Republic)**
 - **CACS (Czech Association of Cleaning Stations)**
 - **SCHOD ČR (Chemical Traders and Distributors Association of the Czech Republic)**
 - **CAPP (Czech Association for Plant Protection)**
- **70 % of the Czech production of the refinery, petrochemicals, chemicals, pharmaceuticals, plastics and rubber industry**
- **5 regions where chemical industry mostly located**

Competitiveness of Chemical Industry of the Czech Republic

- **Legislation (chemical+environmental)**
- **Energy + Climate Protection**
- **Responsible Care**
- **R+D and Innovations – the way forward**
- **Education**
- **Social Dialogue**

Czech chemical industry in 2013

- **The results of the Czech chemical industry in 2013 were influenced by global European economic situation. Namely in the first half of year, two aggregations ended in red figures: refining of petroleum (CZ NACE 19.2)- crisis in European refinery industry and chemical industry (CZ NACE 20) - weak domestic demand.**
- **Best results were achieved in rubber and plastics processing (CZ NACE 22), where the increase of sales was 2.7 %, thanks to better situation in some processing sectors, mainly automotive industry. In pharmaceutical industry (CZ NACE 21), sales increased by 5 %, because of better demand in the CR.**
- **Huge decrease of sales in refining of petroleum (- 9.1 %) and in chemical industry (- 2.6 %). Decrease of employment by 0.6 %, mainly due to rubber and plastics processing (-365 persons) and in chemical industry (- 332 persons).**

Czech chemical industry in 2013

- **Year-on-year increase of export by 5.1%, with same dynamic as in import. The negative balance of chemistry is decreased year-on-year by CZK 5.5 billion to CZK minus 111.8 bn. Share of the export reached 71.7 % of the total sales (in 2012 67.1 %).**
- **Stagnation of economic development, namely in first half of year and lower sales caused that volume of book value added year-on-year decreased in Czech chemistry by 1.1 %. The increase was achieved only in rubber and plastics processing (+ 2.7 %), but in refining of petroleum was registered significant decrease by 19.7 % and in chemical industry by 5.6 %.**

Czech chemical industry in 2014

- In the 1st half of 2014 a recovery of the Czech economy and manufacturing industry has commenced
- Sales increase January-June against the same period of 2013 in all subsectors (except refining of petroleum - continued adverse developments in the manufacture of coke and refined petroleum products CZ NACE 19)
 - ✓ Best results CZ NACE 22: +16.7%, CZ NACE 20: +9.6, CZ NACE 21: +3.9%
- Negative trade balance development in the 1st half of 2014

Summary 2013 and Outlook 2014

- Key indicators in 2013:
 - ✓ **GDP: -0.9 %; inflation: 1.4 %, unemployment: 7.7 %**

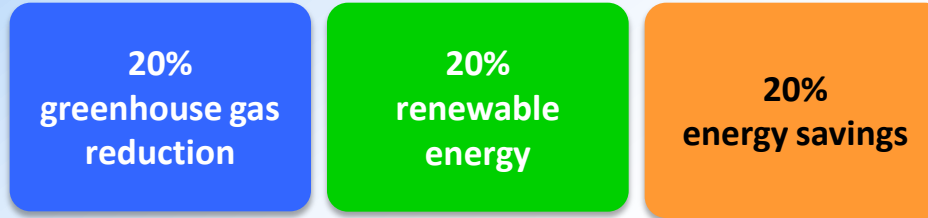
- Prediction of the Ministry of Finance:
 - ✓ **GDP: 2014: +2.7 2015: + 2.5 %**
 - ✓ **inflation: 2014: 0.6 % 2015: 1.7 %**
 - ✓ **unemployment: 2014: 6.4 % 2015: 6.1 %**

Key Issues 2014+ as a way to maintain competitiveness

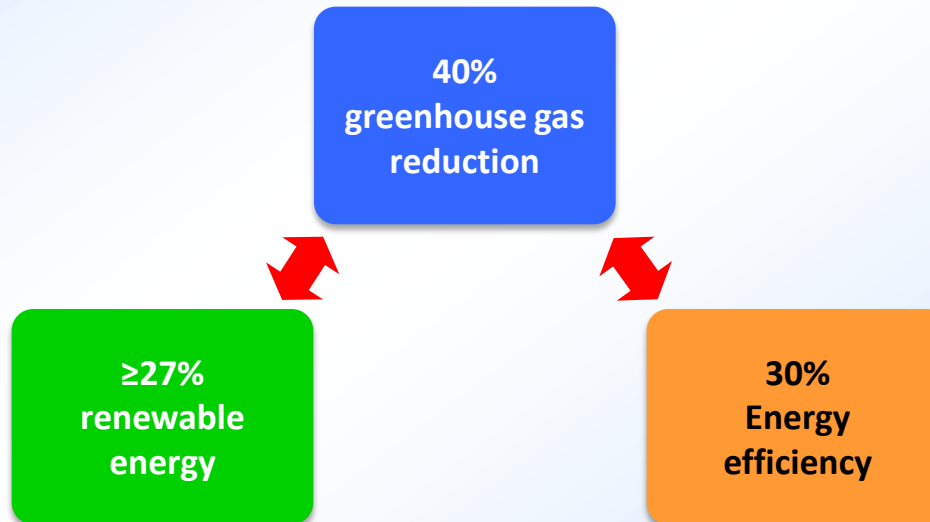
- REACH (and SMEs), Nano, ED and Biocides legislation
- EU re-industrialization goal (20% of GDP) - challenge
- EU Energy Climate Package – EU ETS revision, EU 2030 targets
- Energy prices – support for renewables !!! CZ specifics
- EU Trade – mTDI (and LDR) and TTIP
- EU and national funds 2014-2020 for industry
- Social Dialogue
- **Responsible Care** and Image improvement
- Projects: „SD in Chemical Industry“ project (ESF+MSAffs), ChemLog TandT, Spice3, others under preparation
- Support to research, development, innovations (Technology Platforms SusChem, Plastics – funds from CZ authorities acquired)

EnergyFramework + EU ETS Targets 2030(40-27-30) vs. Package 2020 (20-20-20)

2020



2030



RESPONSIBLE CARE 20 years in CZ

- 82 organizations from 132 members of Association of Chemical Industry of the Czech Republic (SCHP ČR) have reported to **Responsible Care** principles
- 46 organizations awarded to use **Responsible Care** logo
- 7 non production organizations in list of partners **Responsible Care**
- Chemical Safety project (CZ, SK, SL, UK)

Thank you

SCHP ČR

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