

<u>ECRN Inside</u> <u>News</u>

2010

March Edition

Dear members and friends of the ECRN,

Firstly, I thank all of our members for their contributions and active discussions at our Executive Board and General Assembly end of February in Brussels. Our network is on a good path to develop itself further and we are on track making the voice of the Chemical regions heard on the European level: We are pleased to announce that our congress this year will be labeled as an official Belgian Presidency Event.

The congress will focus on the recommendations of the High Level Group on the competitiveness of the Chemical industry in Europe as we see this congress as one of our major contributions to underline the importance of the work of the HLG for our regions. As we stated already in Ústí: we want to follow-up regularly the implementation of the recommendations. This year, our congress will take place on the 7th October 2010 in Brussels. We will inform about the further planning in the next editions of the inside news.

Here in the Brussels discussions, Europe 2020 was the dominant topic. The European Commission launched beginning of March its Europe 2020 Strategy with the intension to get out of the crisis and prepare the European economy for the next decade. Importance lies on the three key drivers for growth which were identified by the Commission: smart growth (through the fostering of knowledge, innovation, education and digital society), sustainable growth (meaning to make the production more resource efficient) and inclusive growth (through the raising of participation in the labour market, the acquisition of skills and the fight against poverty). For more details, please see our special on page 8.

The Europe 2020 strategy was launched with much optimism and hope for the future- but also accompanied with critics on the Lisabon agenda. We will surely discuss about this in our next meetings.

Until then, sincerely yours, Michael Hack



ECRN Team in March 2010!

ECRN Inside News March 2010

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ECRN Affairs



General Assembly Meeting on the 26th February 2010

More than 40 representatives from nearly all ECRN member regions gathered on the 26th February 2010 at the Representation of the Free State of Bavaria in Brussels at the occasion of the annual General Assembly to discuss and decide on internal and strategic issues and plans for the year 2010.

After the opening of the meeting by the ECRN President, both Dr. Reiner Haseloff and the Director of the ECRN Secretariat in Brussels, Michael Hack, presented each their reports of the network's activities in 2009. Other important issues of the meeting were the Assembly's decision on the discharge of the managing board on the basis of the cash auditor's report for 2009 and the adoption of the 2010 ECRN action and budget plans. Furthermore, several elections took place: Vice-Presidents Karl-Uwe Bütof from North Rhine-Westphalia and Tony Richmond from Tees Valley were re-elected, as were Victor

Marroquin, the representative of Asturias, and Pol Verhaegen from Flanders as Executive Board Members. Petr Fiala representing the Ústí region was elected as the Czech Executive Board Member.

At the end of the meeting, ECRN members were given the opportunity to listen to two external speakers: Firstly, Isabelle Chaput from the Belgian Chemical Industry Association Essenscia gave a presentation on sustainable development in the chemical sector. Then, Otto Linher from the chemicals section of the Directorate General Enterprise and Industry of the European Commission, spoke about what lies ahead concerning the chemical sector from the European Commission point of view and how the ECRN and the European Commission could cooperate on different issues in the time to come.

Permanent Working Group Meeting on the 25th February 2010

In the early afternoon of 25th February, the first Permanent Working Group Meeting of 2010 was hosted by ECRN member region Bavaria at its Representation in Brussels. After his report of activities, Michael Hack shortly presented a recent request from the European Chemical Agency ECHA to the ECRN on the formation of SIEFs (Substance Information Exchange Fora), which according to the REACH regulation have to be formed by all chemical companies which have to register any substances by December first 2010. Michael Hack made clear that according to ECHA the formation of these fora has proven quite difficult and slow so far and that ECHA therefore would highly appreciate any input from the European chemical regions on their experiences with the SIEF formation in their specific regions, especially concerning



ECRN General Assembly 2010 participants in the Representation of Bavaria to the EU





ECRN President Dr. Haseloff and European Commission Representative Otto Linher



The first Permanent Working Group Meeting of 2010

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ECRN Affairs

SMEs' registrations. He warmly invited the members to send any input to the ECRN Secretariat which will forward the information to ECHA at the occasion of their next stakeholder meeting.

After the presentation on SIEFs, several ECRN members shortly presented to the participants examples of best practice which are available on the ECRN website from their regions at the moment and replied to questions from the audience. Michael Hack made clear that the collection of best practices and the presentation of these on the ECRN website is an ongoing project and that everyone is warmly invited to send in their successful project examples also in the months to come. By the end of the meeting, Thomas Steinmetz from Saxony-Anhalt gave an update on the ChemClust project, and after a short overview on the next meetings taking place this year given by Michael Hack the PWG meeting ended with the presentation of Magdalena Appel from the Chemiecluster Bayern, who presented the cluster's priorities and projects and informed the participants about a very interesting cooperation project with the Axelera cluster in France.

The detailed minutes of the Permanent Working Group Meeting will be sent to the ECRN members by email in the coming days.



Executive Board Meeting February on the 25th February 2010

Following the PWG meeting in the afternoon of the 25th February, also the ECRN Executive Board met at the Representation of Bavaria in Brussels. After a welcoming speech by the Director of the Representation of Bavaria Heidrun Piwernetz and the ECRN President Dr. Haseloff, firstly the Chemclust project and its planning for 2010 was presented to the members by lead partner Saxony-Anhalt.

Then, Michael Hack gave a short update of the preparation of the 8th ECRN Congress which will take place on the 7th of October. Other items on the agenda were a discussion regarding the Follow-up of the High Level Group on the Chemical Industry in 2010 and on regional input in relation to the ECRN's main topics innovation and clusters, skills and logistics.

The minutes of the Executive Board Meeting will be sent out to ECRN members in the coming days.



Welcome speech by the host of the meeting, Director of the Representation of Bavaria Heidrun Piwernetz



ECRN President Dr. Haseloff and Director of ECRN Secretariat Michael Hack

Press Clippings Angela Merkel states scepticism towards EU 2020 strategy

In accordance with a European Voice article (04/03/2010), the German Chancellor Angela Merkel has expressed some scepticism on parts of the EU 2020 strategy, approved on the third of March. The new strategy replaces the Lisbon strategy and offers a new vision and a "transformational agenda". Angela Merkel had demonstrated the skepticism of her government towards the EU 2020 even before its official publication through a written letter to the European Commission President José Manuel Barroso, as pointed out by the journal.

The EU new strategy puts emphasis on innovation and green growth to boost competitiveness and proposes tighter monitoring of national reform programmes, one of the greatest weaknesses of the Lisbon strategy as stated by an Euractiv article (02/03/2010). In order to attain these aims, the EU 2020 and Stability and Growth Pact reporting and evaluation should be done simultaneously. In agreement with the European Commission website the Pact proposes a rule-based framework for the coordination of national fiscal policies in the economic and monetary union, in order to safeguard sound public finances. The Chancellor Angela Merkel considers that by linking the 2020's economic targets to the reguirements of the Pact would make fiscal surveillance "unnecessarily political", as reported by Euractiv. Asked about Merkel's comments on the third of March, Barroso said he was not trying to merge the stability and growth pact and Europe 2020. But he said it made "no sense" not to discuss the economic

situation in Europe and structural reform at the same time. "It would be absurd if the governments of Europe decided something contradictory to the structural reforms they want to implement," in conformity with European Voice. The Commission has furthermore arqued that the recent events in Greece make clear that reforms or the lack of them in one country affect the performance of all others within the EU. Merkel's skepticism towards EU 2020 has raised the concern that member states' compliance with the Stability and Growth Pact could be put at risk.

Merkel also criticizes setting individual countries specific targets and stated that she would only sign up this if governments were able to directly influence their achievement and if they were attainable within a few years. She stressed that that her government would not sign up to any targets at an EU level that had not been agreed by the German parliament or regional governments. She supported, however, the focus on a smaller number of targets.

Merkel also emphasized that surveillance of member states' budgets should rest with finance ministers and should not become the duty of national government leaders, as referred by European Voice.

For further information you can consult the following websites:

http://www.euractiv.com/

http://europeanvoice.com

EU 2020 strategy proposes to build a smarter and greener

European economy





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Press Clippings

Commissioners' meeting with ECHA and other stakeholders

According to an article from Chemical Watch (05/03/2010), the new Commissioners for Industry and Entrepreneurship, Antonio Tajani and Janez Potočnik for Environment plan to visit the European Chemicals Agency (ECHA) in Helsinki on the 25th of March. The EU commissioners will discuss priorities concerning the EU chemicals policy in the future with ECHA's management board and staff. Both intend to announce plans on how to accelerate REACH implementation and guidance on authorization and substitution, as mentioned by Chemicals Watch. During their visit the newly-appointed commissioners will also meet with several European stakeholder organizations, including industry associations, NGOs, environmental associations, animal welfare groups and trade unions, that have been invited by ECHA.

This article is available on the Chemicals Agency website:

http://chemicalwatch.com/3423

EU reconsiders French calls for carbon border tariffs

In accordance with a Euractiv article (01/03/2010), EU ministers agreed to reconsider the French calls for a "carbon tax at the border" in order to repress unfair competition from countries such as China which have soft climate protection laws. However there is still division concerning the issue of carbon tariffs at the EU's borders.

The idea of border carbon tariffs has appeared as a way of preventing European manufacturing industries from moving to countries where environmental laws are less exacting, the so-called "carbon leakage" effect. On the 1st of March 2010, EU ministers responsible for competitiveness gathered in Brussels to discuss the new industrial policy and ways of protecting industrial competitiveness from the risk of "carbon leakage". The recent border tariffs idea of Presi-

dent Nicholas Sarkozy firstly received little support from other EU leaders with the exception of German's Angela Merkel. A EU diplomat stated that France's proposal was controversial at first but that it is gaining momentum among France's EU partners who are referring to it as "carbon inclusion mechanism" that integrates the CO2 cost of products imported into the EU. The ministerial meeting of March the 1st concluded that appropriate measures to tackle carbon leakage should be taken in conformity with international trade rules. Nevertheless, there was no reference to carbon tariffs or "carbon inclusion mechanism" at this stage.

For more information you can consult Euroactiv website:

http://www.euractiv.com/



EU ministers have agreed to reconsider French calls for a "carbon tax at the border"









EU study presses for more action on "chemical cocktails"

In conformity with a Euractiv article (15/02/2010), a European Commission report states the existence of a formerly unknown level of know-how to assess the impacts to human health and the environment as a result of combined exposure to multiple chemicals.

The report was requested by the European Commission in 2007 from the University of London School of Pharmacy in order to review the scientific knowledge and the regulatory approaches to dealing with "chemical cocktails". The study emphasizes the need to avoid underestimations of risks that might occur under the current paradigm of considering substances on a chemical-by-chemical basis. The same report indicates that the mixture of chemicals brings more dangerous effects and increases the environmental pollution than one single chemical. The European Commission provides regulatory guidance for assessing chemical mixtures which can be useful, as mentioned by the study. The existent mixture guidelines from the United States Environment Protection Agency or the World Health Organisation are limited to the assess the potential human health risks from chemical mixtures. The European Commission guidelines are innovative because they integrate human health and ecosystem effects altogether, positioning the EU as a world leader in this field.

For more information you can consult the Euractive website: <u>www.euroactive.com</u>

Selection of Funding Calls

Below you will find for your information some recent calls for European Funding programs of potential relevance for the ECRN members. It is a selection and makes no claim to be complete. These are some calls and programs which could be worth to be looked at in more detail, depending on regional priorities. For more details on the different programs, please refer to the webaddresses given. The calls for applications for 2010 for the Lifelong Learning Programme (LLP) are now open and can be found by following the respective link in the table below. The new work programme for the Entrepreneurship and Innovation Programme (EIP) can be accessed now as well. In case of any suggestions or questions, please feel free to contact the ECRN Secretariat.

Call Identifier	Call Title	Funding Scheme	Eligibility Conditions	Deadline	Website
			applicable under certain conditions to		
SP1-JTI-CS-		FP7—Cooperation	non-profit bodies, secondary and higher		http://cordis.europa.eu/fp7/dc/ind
		(Joint Technology	education establishments, research		ex.cfm?fuseaction=UserSite.Coope
2010-01	Clean Sky JTI 2010-01	Initiative)	organisations and SMEs	27 April 2010	rationDetailsCallPage&call id=302
		Sub-programme of	The launch of the next call for proposals		
		CIP (Competitiveness	is foreseen for 13th April 2010;		
		and Innovation			
		Framework Pro-	Priority will be given to SMEs and pri-	To be seen in the next call	http://ec.europa.eu/environment/
	Eco-innovation Projects		vate beneficiaries	for proposals	eco-innovation/application en.htm
			The call for proposals for 2010 will be		
		CIP (Competitiveness	published in March		
		and Innovation			http://ec.europa.eu/energy/intellig
		Framework Pro-	All participants are private or public		
	Intelligent Energy Europe	gramme)	legal entities.	is foreseen for June 2010	<u>en.htm</u>
			The Lifelong Learning Programme ap-		
			plies to all types and levels of education		
		Erasmus Grundtvig	and vocational education and training,		
			for details please check the different	Deadlines differ for every	http://ec.europa.eu/education/llp/
	Lifelong Learning Programme (LLP)		sub-programmes of interest	sub-programme.	doc848 en.htm
		Sub-programme of			
		CIP (Competitiveness			
		and Innovation			
	Entrepreneurship and Innovation		See newly available work programme		http://ec.europa.eu/cip/document
	Programme (EIP)	gramme)	for 2010		s/work-programmes/index_en.htm

Agence Europe-Summary

Post-Copenhagen strategy for binding global agreement in 2011?

According to an article from Agence Europe (09/03/2010), the European Commission has presented a strategy to continue the international negotiations on climate change in order to reach a world binding agreement, at a time when countries are preparing for the climate conference in Cancun, Mexico, at the end of this year. The strategy is entitled "International climate policy post-Copenhagen: Acting now to reinvigorate global action on climate newly-appointed change". The Commissioner for Climate Action, Connie Hedegaard considers that Europe demonstrates the greatest ambition on reducing its emissions by 2020.

After the failure of the world climate conference in Copenhagen, the strategy is built around three main challenges. It envisages the integration of the Copenhagen Accord into the UN negotiating texts that contain the basis of the future global climate agreement in order to achieve tangible results in Cancún, in December. The second challenge to be faced is to find the adequate means for organising the emission reduction transition in a way that is also profitable to the EU in terms of innovation, job creation, and energy saving. Finally, it is recognized the importance of restoring confidence in specific and pragmatic decisions that could be adopted in Cancún. The EU has commented that differences between countries may delay a global agreement until 2011.

The information of this article can be obtained at:

www.agenceurope.com

http://ec.europa.eu/environment/ climat/future_action_com.htm



Agreement on new European climate change strategy for binding global agreement



Commissioner for Climate Action, Connie Hedegaard

Finland gives its final permission for the Nord Stream gas pipeline

In reference to an article from Agence Europe (12/02/2010), the administrative agency of southern Finland authorized the multinational consortium North Stream AG, which is a separate legal entity from Gazprom, to build its gas pipeline to provide Russian gas to the EU market. The pipeline will link Germany to Russia, passing through the exclusively Finnish economic area. The agency's permission granted on the 12th of February removes the final obstacle for the completion of this project which is due to start in early April. All the countries through which is the gas pipeline is to pass (Germany, Denmark, Finland, Russia and Sweden) have already given their permission. The project which will be constructed under the Baltic Sea will be managed by Gazprom with an estimated cost of 7.4 billion euros.

For more information you can visit the following website:

www.agenceurope.com



Finland gives final go-ahead for Nord Stream gas pipeline

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ECRN Special

EU Strategy 2020

The European Commission launched the EU 2020 strategy for "intelligent, sustainable and inclusive growth" on the 3rd of March as an exit strategy of the current crisis and to prepare Europe's economy for the next decade. Replacing the Lisbon Strategy 2000-2010, the "Europe 2020" will enter into practice if the European Council adopts it on the 25th and 26th of March.

In the new policy framework, the Commission has set three key drivers for growth, to be implemented through concrete actions at EU and national levels: smart growth (fostering knowledge, innovation, education and digital sustainable society), growth (making our production more resource efficient while boosting our competitiveness) and inclusive growth (raising participation in the labour market, the acquisition of skills and the fight against poverty). However it acknowledges that the crisis has made the task of securing future economic arowth much more difficult. Therefore five targets are indentified which define where the EU should be by 2020 and against which progress can be tracked. They will have to be converted into national objectives. These are: 1) 75% of the population aged between 20-64 should be employed; 2) 3% of the EU GDP to be invested in research and development; 3) the 20/20/20 climate and energy objectives to be reached; 4) the school dropout rate to be brought below 10%; 5) to lower the number of people at risk from poverty. As stated in the EU 2020, these targets represent the three priorities, nevertheless a wide range of actions at national, EU and international levels will be necessary to prompt them.

For the attainment of these objectives, the Commission has estab-

Commission lished seven flagship initiatives to be followed by the EU and the member states. The European Commission presented in the 2020 strategy a "Union of innovation" to improve the framework conditions and access for R&D; "Youth in movement" to reinforce the performance of educational systems; a "Digital strategy" to speedup the deployment of broadband internet; a "low resource Europe" in order to promote the transition to a low-carbon economy; an "Industrial policy for green growth" to improve the environment; business а "Strategy for new skills and new jobs" to modernize the employment market and a "European platform against poverty".

> The Commission stresses the importance of the EU 2020 as an effective exit strategy to the crisis based on budgetary and monetary policy on the one hand and the direct support given by governments to economic sectors, in particular the financial sector, on the other.

> While the European Commission President, José Manuel Barroso expressed his optimism towards the new strategy, for some of the members of the Socialists & Democratic Party of the European Parliament the 2020 strategy does not pay enough heed to jobs or social policy, as stated by Stephen Hughes in a press release referred by Agence Europe. As for the Greens/EFA Group the 2020 strategy must make the EU the leader in the green revolution, as Agence Europe mentioned from Philippe Lamberts' statement.

The full 2020 strategy can be accessed in all EU languages via the following website:

http://ec.europa.eu/eu2020/



The new EU 2020 is considered as an exit strategy to the crisis by the European Commission



The EU has set five targets to be reached by 2020—In order to reach them, EU and Member States will have to coordinate their actions



European Chemical Regions Network



ECRN Inside News

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