



EUROPEAN CHEMICAL
REGIONS NETWORK

ECRN - NEWS ::

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ECRN Presidium meets in Düsseldorf

The ECRN Presidium met on the 23rd of May in Düsseldorf, North Rhine Westphalia, to discuss the current activities of the network. The main topics of the discussion were innovation and competitiveness in the chemical industry, better regulation, energy and emission trading and the future of interregional cooperation. The joint position of the ECRN is summarised in the Presidium Declaration, which is available for download on the website www.ecrn.net. A presentation from Dr. Gersemann from ChemSite and Mr. Pruys from ChemCologne gave a good overview about the intensive cooperation of the chemical parks and the development of the chemical cluster in North-Rhine Westphalia.

On the day before the meeting a podium debate was organised to discuss about "Chemical-land NRW – With innovation towards the future". More than 80 representatives from chemical enterprises, research, administration and politics used this opportunity to exchange their views how

to strengthen the chemical cluster in the future. In her welcome speech Mrs. Thoben, Minister for Economy from NRW stressed the importance of interregional cooperation and welcomed the successful activities of the ECRN and the participation of the network in the discussion about the establishment of the new EU high level group for the chemical industry.

UPCOMING ECRN ACTIVITIES

ECRN Training Seminar

- 29 / 30 June 2006
Maastricht, Netherlands

ECRN Working Group Meeting

- 21 / 22 September 2006
Brussels, Belgium

4th European Congress of Chemical Regions

- 9 / 10 November 2006
Tarragona, Spain

ECRN Association
Continuing Success

Asturias
ECRN Meeting

ECRN
Training Seminar
Limburg

High Level Group
Energy
Latest Developments

Regional Partner-
ship Meeting
NRW hosts Europe

Regional Profiles
*Lower Saxony
Catalonia*

Continuing Success: the ECRN association

Now in its third year of operation, the ECRN has successfully placed itself on the map of European stakeholders in the field of chemical industry thereby representing particularly the interests of chemical regions.

In order to ensure sustainability of the cooperation and to continue the successful work of the ECRN after the end of INTERREG IIC funding, the ECRN association was established at the third Congress of European Chemical Regions on 6 October 2005 in Milan. The legal framework is that of a registered association ECRN e.V. based on German law. This legal framework now allows the grouping to invite other chemical regions in Europe interested to join ECRN activities in the future.

Nine chemical regions to date have signed the association's statute, of which three regions are not part of the INTERREG project. Currently the members of the ECRN association are: Saxony-Anhalt, North Rhine Westphalia, Lower Saxony, Schleswig-Holstein, Rhineland-Palatine, Hesse (Germany), Asturias (Spain), Cheshire as well as Tees Valley (UK).

Most recently Usti Region (CZ) applied to join the ECRN association and discussions are ongoing in other chemical regions considering signing up in the ECRN association in the coming months.



For more information on the ECRN association please contact:

Join the network!

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Here you can also obtain a copy of the application form, statute and membership fee regulation.

ECRN – Links

- European Chemical Regions Network
www.ecrn.net
- Saxony-Anhalt (Germany) – Lead Partner
www.sachsen-anhalt.de
- North Rhine-Westphalia (Germany)
www.nrw.de
- Tees Valley Joint Strategy Unit (UK)
www.teesvalley-jsu.gov.uk
- Government of Catalonia (Spain)
www.gencat.net
- Voivodeship of Masovia (Polen)
www.mazovia.pl
- Province of Limburg (The Netherlands)
www.limburg.nl
- Lower Saxony (Germany)
www.niedersachsen.de
- Piedmont Region (Italy)
www.regione.piemonte.it
- Country Council of Huelva (Spain)
www.diphuelva.es
- Lombardy Region Government (Italy)
www.artigianato.regione.lombardia.it
- Ida-Viru Country Government (Estonia)
www.ivmv.ee
- Principality of Asturias (Spain)
www.idepa.es
- Cheshire Country Council (UK)
www.cheshire.gov.uk
- Rhineland Palatinate (Germany)
www.rlp.de
- Schleswig Holstein (Germany)
www.schleswig-holstein.de
- Hessen (Germany)
www.hessen.de

ECRN Working Group Meeting in Asturias

The European Chemical Regions Network organised a working group meeting on the 26 and 27 of April in Oviedo, Spain. The meeting was hosted by IDEPA (Instituto de Desarrollo Económico del Principado de Asturias), who is a project partner in the network representing the Principality of Asturias. More than 20 representatives from the European chemical regions met to discuss the recent activities of the network and to prepare forthcoming actions.

Mr. José Ramón Fernández from the Chemical and Process Industry Association of Asturias (AIQPA) gave an introduction about the development of the chemical industry in Asturias. Even if the chemical sector is rather small compared to other European regions, the industry plays a significant role in the regional economy. AIQPA has as its objective to improve cooperation of the chemical companies in Asturias in order to strengthen their competitiveness. He supports the work of the ECRN, in particular highlighting the benefits for business that can be brought about through accessing international experience and good practice.

The major topics of discussion centred around the latest developments in the REACH proposal, the preparation of the ECRN Training Seminar in Limburg on 29/30 June and the next European Congress of Chemical Regions which is foreseen for the 9 and 10 November 2006 in Tarragona, Spain.

The thematic discussion of the following training session was focused on the ECRN Skills study. Ian CLICK presented the results of the skills project, which was followed by individual presentations and discussion of examples of best practice on the issues: links between industry and skills providers and how to encourage students to study chemistry and other science degree courses and also encourage graduate students to enter into the chemical industry as chosen career? The partners agreed to further explore opportunities for cooperation in this area, e.g. by implementing a joint Leonardo project or a Foresight study. The group is also exploring the possibility of developing an international student exchange programme.



ECRN Training Seminar – sharing best practice

The European Chemical Regions Network is organising a Training Seminar on the 29 and 30 of June 2006 in Maastricht, Netherlands. The Chemelot site will be hosting the meeting and will also arrange a site visit for interested participants.

The Training Seminar aims to present and discuss best-practice solutions from three study topics undertaken by ECRN; Chemical Park Management, Cooperation Science and Industry and Land Improvement. Based on the results of the completed studies, experts in the different fields will have the opportunity to exchange their experience and jointly discuss potential solutions in several workshops. Specific topics of the seminars are:

Chemical Parks

- Chemical park management and performance of companies
- The presence of knowledge institutions on chemical parks and chemical science parks
- Interaction between base chemicals and high chem.

Science and Industry

- Technology focused instruments versus generic innovation instruments

- Does human innovation lead to innovation in products
- Matching Services for technology transfer

Land Improvement

- Partnership arrangements managing projects for the recovery of the more complex brownfield sites
- Experience of the practical implementation of remediation and greening techniques
- University research and site trials for the improvement of brownfield sites

The Seminar should also show the way for future cooperation areas and spin off projects that could be developed by the ECRN partnership.

The target group of the meeting are problem and solution “owner”, representatives from regional administrations, enterprises, research institutes and the European Union. The different thematic workshops will be moderated by experts from different European regions that also represent specific best-practice experience in the area. The results of the meeting will be published in a brochure for the dissemination to other interested stakeholders.



IMPRINT

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(ECRN)

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Pictures

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ECRN and the EU Emissions Trading Scheme

To limit the impact of climate change the EU have signed the Kyoto protocol. For industry and electricity producers, the EU Emissions Trading Scheme (ETS) was created to reduce the CO₂ emissions in the most economic manner. Within the framework of the EU ETS Directive each Member State has to make a national allocation plan (NAP) in which the total quantity of allowances and the way of allocation are determined.

In this system every company gets a certain quantity of allowances free of charge for emitting carbon dioxide (CO₂). The idea was that efficient producers can sell allowances and that less efficient producers are buyers of allowances.

At the Presidium Meeting in Maastricht on 22 December, the ECRN presented a “Joint Declaration of the ECRN Presidium, Better regulation for the growing Europe” in which the following shortcomings of the current implementation of the EU ETS Directive were noted:

- Electricity and “windfall” profits: Electricity producers incorporate the price of CO₂ allowances in the electricity price while they got most allowances free of charge. This caused higher electricity prices.
- Competitive distortions between operators across EU Member States because of different allocation rules in different Member States.
- Historical grandfathering: To grant allowances based on historical emissions and not reward companies for early action leading to the situation that new investments to reduce emissions are not stimulated.

- Unequal treatment for investment in new economic activities. Market share winners need to buy allowances where losers of market share can sell allowances.
- New installations get allowances from a new entrants’ reserve, but in most Member States this reserve is finite.
- Ambiguity for innovation & efficiency: Most of the present allocation rules defined in the NAPs do not stimulate but hinder the introduction and use of eco-efficient and innovative technologies.

ECRN asked the European Commission to modify allocation rules to encourage innovation in the chemical industry. The ECRN proposed an allocation based on benchmarking, a standard of CO₂ per unit of product or variants of this approach, as a possible solution.

To add strength to our message, a small ECRN delegation on 31 May visited the EU cabinets of DG Competition and DG Environment.

As a result of our efforts and those of others, the EU Commission decided to establish a High Level Group (HLG) on Competitiveness, Energy and the Environment. It called on the EU Commission and Member States to improve the allocation rules for the second trading period.





NRW hosts Europe – With innovations towards the future

Regional Partnership Meeting in Düsseldorf

The Ministry of Economic Affairs and Energy of North Rhine-Westphalia hosted the fifth Regional Partnership Meeting (RPM) on May 22nd 2006 within the European Chemical Regions Network (ECRN). Some 70 participants, mainly from companies, science institutions and associations attended the introductory speech and the following panel discussion. Mrs. Christa Thoben, Minister of Economic Affairs and Energy emphasised, that innovation is crucial, for businesses as well as for governments. She stressed that Europe's chemistry has to be strong in the competition with the US and Asia, and North Rhine-Westphalia (NRW) has the opportunity to be one of the leading locations in that process.

The panel discussion brought together representatives from three different types

of institutions: a big, multinational and globally acting company, Bayer Material Science, a small company, specialist in the field of chemical additives, M.J. Additive GmbH, and one "knowledge organisation" for companies, government bodies and public organisations, TNO from the Netherlands.

The discussion showed the different aspects of innovation: employees on the one hand need free zones to innovate and to create good ideas, on the other hand, they need adequate structures. Collaboration of small and big companies can work successfully, if both partners realize the advantages, a typical "win-win situation". Also co-operation with universities and universities of applied science helps to develop innovations, especially in small and medium sized enterprises.



*Discussion of Minister Thoben
with panelists*



Lower Saxony

Niedersachsen (Lower Saxony) is Germany's second biggest state, in respect of its area of around 47,618 km², and the fourth biggest with regard to its population of more than 8 millions.

Hannover is the state capital and, at the same time, the largest city of the state with around 517,000 inhabitants.

Following to the break-up of the Eastern bloc and the expansion of the European Union, Niedersachsen now finds itself at the centre of Europe. With its excellent motorway and rail links, Niedersachsen has developed into an important junction and logistics centre between Eastern and Western Europe as well as North Europe. Additionally, there is an international airport capable of expansion in Hannover-Langenhagen, numerous seaports with direct access to the international network of sea transport paths and a well developed network of inland water-ways. With the future JadeWeserPort, the mega project of a deep sea port for super containerhips of the future, a new turntable for commerce and economy from North- and Eastern Europe to the point of Far East will be created in Wilhelmshaven until 2009/2010.

The economy of Niedersachsen is characterised by the dominant role of the automotive industry and its component suppliers. The highly productive agriculture and the nutrition industry which processes the agricultural products, are of great importance. Aside, a diversity of trades with numerous

important enterprises and large settlements of German as well as foreign groups have developed over several decades. This includes the chemical industry, which ranks 6th in the manufacturing industry in Niedersachsen in terms of turnover.

The product range of Niedersachsen's chemistry is diversified. It ranges from non-organic and organic basic materials to pharmaceutical products, scents and flavours, paints, varnishes, detergents and personal hygiene products, insecticides and pesticides, to special coating and special synthetic materials, as well as a multitude of other products.

The association ChemCoast was created at the beginning of 2005. This institution aims to support and coordinate the participating chemical enterprises in their joint search for new ways to strengthen their economic power and sustainability, improve their competitiveness and the security of employment.

As the first step, the cross linking of locations with an ethylene pipeline and the connection to the existing raw material networks has been tackled.

One of ChemCoast's important tasks for the future is the development of a marketing strategy across the federal states that should combine the interests of the individual chemical locations and jointly market them throughout the world.

The government of Niedersachsen supports the aim to strengthen the local chemical site.

FACTS & FIGURES

- Inhabitans: 8,005,927
- Area: 47,618 km².
- Gross Domestic Product: 170.5 billion euros.
- Main Sectors: Automotive industry, agriculture and nutrition industry

Chemical Industry

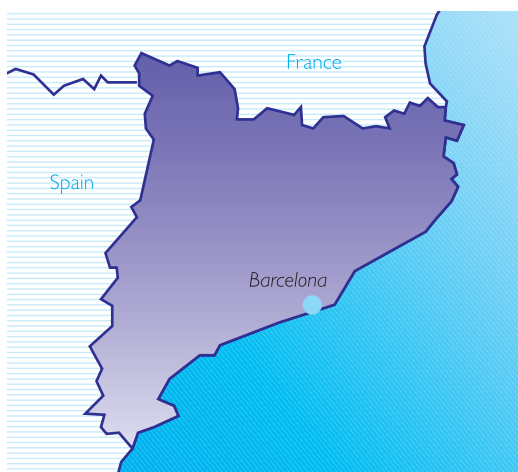
- Number of enterprises: 173
- Number of Employees: 27,638
- Turnover: 8.5 billion euros.
- Sector Structure:
 - Basic chemicals 47%,
 - Paints & lacquers 12%
 - Pharmaceuticals 9%
 - Soaps & detergents 7%
 - Agrochemicals 2%
 - Other chemicals 23%
- The chemical industry of Niedersachsen is characterized by a large number of SMEs.



Catalonia

Chemical industry has a deeply rooted tradition in Catalonia. At present, the chemical sector in Catalonia is made of more than 1,100 companies, most of them SME's. Several major chemical corporations also operate plants in Catalonia and play a major role not only in the value chain but also in the implementation of front line R&D activities. Chemical industry accounts for 14% of Catalan industrial added value and provides 9% of industrial workforce (more than 60,000 employees). Catalonia is clearly the most specialized Spanish chemical region, representing 50% of the national turnover and exports of the chemical industry.

The Catalan chemical industry is also a highly diversified sector. Main activities include raw-chemical (petrochemical), pharmaceutical products, plastic transformation, and manufacturing of consumer goods, such as detergents, paints or coats. A large variety of products with a broad range of uses is manufactured, and therefore, demand is generated by a vast range of industrial and non-industrial (agriculture, construction, etc.) production-related activities.



Three local industrial production systems can be identified in Catalonia. One of them is located near Tarragona (raw chemicals) and two of them in the Barcelona metropolitan area (consumer chemical products and pharmaceutical). Together, they include close to 400 firms, which generate turnover of around € 11 billion.

The raw-chemical industry is the leading sector (48% of production) located at the petrochemical complex in Tarragona, which was created in the 1960s and is the most important strategic centre in the petrochemical industry of southern Europe. This site alone provides close to 50% of the whole Spanish plastic consumption. With 60% of its traffic travelling to or from the chemical plants, the Port of Tarragona is the key factor behind the local industrial production system's location. Another factor is the reasonable distance from a significant number of potential clients of the Barcelona metropolitan area.

The pharmaceutical sector is also a key one within Chemical industry. It is composed of two major segments, which have a very high degree of vertical integration. The first segment, the fine-chemicals industry, includes the production of raw materials and active ingredients. The second segment, involves the production of preparations. Some 45% of Spanish pharmaceutical laboratories and more than half of Spanish fine-chemicals manufacturing centres are located in Catalonia. Catalan companies are responsible for almost 60% of pharmaceutical production nationwide. Overall, these companies sell close to 80% of their production abroad.



FACTS & FIGURES

- Population: 6,813,000
- Area: 32,000 km²
- GDP: over 140 billion euro
- GDP/ capita: 20,520 euro
- Main industry sectors: machinery (25.9% of turnover), chemicals (15.7%), food (15.4%), non-metallic mineral products (12.7%) and paper and publishing (7.7%)

Chemical Industry

- Companies: 1,150
- Employees: 61,700
- Turnover: 19,444 million euro
- Exports rate: 15.7% of turnover
- Main activities: petrochemicals, pharmaceutical products, plastic transformation, manufacturing of consumer goods and industrial chemicals

