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Press Release

FECC welcomes the conclusions of the High Level Group on the Competitiveness of the European Chemicals Industry

The European Association of Chemical Distributors, FECC, welcomes the conclusions announced today at the final meeting of the European Commission's High Level Group on the Competitiveness of the European Chemicals Industry. FECC was proud to contribute to the work of the High Level Group which started in September 2007 and finished today. It was the first time that chemical distributors was represented at this forum.

The chemicals industry has a crucial enabling role in finding solutions for the major problems of modern society and at the same time an important responsibility for the safety of its products. In this context the High Level Group acknowledges that: *"Chemical distributors have an important position in the chemical supply chain. They are often the last chemical operator in the chain and contribute to disseminating innovative chemical solutions, as well as safe and professional handling and use of chemicals by a wide range of downstream users, most of which are SMEs."*

The Final Report provides a profound analysis of the key challenges the chemical industry faces and makes recommendations on how they can be successfully addressed. The High Level Group looked at a number of areas relevant for chemical distribution such as innovation, human resources, logistics and international trade. With several contributions, it was highlighted that chemical distributors play an important role in the innovation process, by identifying customers' demands, developing new and diverse uses for existing chemicals and high research & development intensity in developing new preparations. Chemical distributors bring upstream crucial information that allows researchers to acknowledge and anticipate potential uses of chemicals.

Through their logistics efficiency, chemical distributors supply thousands of industrial plants with the specific substances and preparations that are required to continue their production. An efficient transport and logistics framework in Europe is crucial for a sustainable chemical industry. In this context, the need to enhance global harmonisation between the different modal transport regulations



for dangerous goods was emphasized and the current lack of logistics infrastructure capacities was underlined. Other topics addressed included supply chain inefficiencies, administrative complexity, road congestion etc.

FECC is pleased that the issue of grey and black customs clearance was given the attention in the Final Report with the following recommendation: *“The EU should continue to strive for more global harmonisation in customs procedures within the relevant international organisations such as the World Customs Organisation and the WTO. This will enhance the fight against black and grey customs clearance schemes which are currently a major problem for chemicals exporters and traders to some countries, such as Russia. The EU should further pursue multilateral and bilateral cooperation between customs authorities and governmental dialogue as ways to counter illegal activities.”*

FECC contributions are available at www.fecc.org

Editor’s note:

FECC is the Brussels-based body representing the European chemical distribution and trading industry to the EU Institutions. Its member companies generate sales of more than 30 billion euro. FECC members . most of them SMEs - are actively involved in the promotion and implementation of environmental, health and safety standards such as the Responsible Care programme. FECC members create value in the supply chain by meeting the demands of over one million downstream users ranging over all branches of industry. They distribute and regularly import substances and preparations vital for the success of the European economy.

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