



Chemical Industry Workshop

European Chemical Industry: the source of innovation, the force for competitiveness?

The workshop on the chemical industry examined the sources of innovation and competitiveness forces in Europe.

Yves Verschueren, General Manager at Essencia (the Belgian Federation for Chemistry and Life Sciences Industries), was the chairman of the session. He introduced the session by remarking that Europe used to be the incontestable leader in chemical industry, but it seemed that this was not the case anymore.

He gave the floor to **Willem Huisman**, Chairman of the Board of Directors and President of Dow Benelux that employs approximately 1900 people in Belgium and the Netherlands. He emphasized Dow's importance in terms of employment. Apparently, every additional employee in Dow creates 8 to 9 indirect jobs in the region.

He pointed out the reliance of the chemical industry on energy prices. Chemical companies need affordable energy prices to compete worldwide and to survive. He admitted that Dow's decisions concerning plant location are partially driven by local energy prices. He raised the issue of shale gas and its consequences for companies in Europe. Because of the shale gas revolution in the US, renewable energies have become inefficient and the price of coal has declined. He called for a more active EU policy strategy regarding shale gas.

Stefan Van Thienen, Partner in charge of Chemical Industry at Deloitte, presented the growth opportunities in the European chemical sector. During the 20th century, new molecules and materials were the main sources of value creation. However, the market has changed and it is not the case today. He presented global megatrends and unmet needs in the market. He argued that companies could benefit from these opportunities by developing solutions rather than science or material-driven innovation. Chemical companies must rethink their value process to be more end-market oriented.

Prof. Karin Markides, President of Chalmers University of Technology in Sweden, presented her vision on the role of universities in assisting the development of the chemical industry. She explained the work that has been accomplished by the Chalmers University of technology in Sweden. It is a public-private University aiming to be a centre of excellence in soft biomaterials. The successful collaboration of the University with the local chemical industry led to the creation of a cluster in Gothenburg – the Science Park. Chalmers University attracts and gives excellent training to talented students coming from all over the world. The best students receive usually job offers from chemical companies after their studies. This is a practical example of synergies between universities and the private sector.

Finally, **Otto Linher**, Deputy Head of Unit for the Chemical Industry in DG ENTR at the European Commission, concluded the session. He underlined the fact that chemicals are the basis for many traded goods. According to him, the EU chemical industry is still competitive, even though Europe is not the worldwide centre it was before. The strengths of the EU chemical sector are infrastructure, know-how and an integrated value chain. He accepted however



that the EU should improve the transition from R&D and innovation to commercialisation. An enhanced internal market, better access to finance and more educated human capital are the solutions to boost the industry.

Yves Verschueren concluded by stating that it was our responsibility to make sure that we attracted more talented people, that regulators understood our needs and that people appreciated the value of the chemical industry for the entire society.