

(ENV)

Subject: FW: my notes FFH Cefic meeting

From: [REDACTED] (ENV)
Sent: Friday, January 29, 2021 3:43 PM
To: [REDACTED] <[\[REDACTED\]@ec.europa.eu](mailto:[REDACTED]@ec.europa.eu)>
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Subject: FW: Basis (SG-PDT-VPs/16147) - PDT/2021/54.01 M. Brudermüller, CEO BASF + President CEFIC - Phone call - Deadline for the request to contribute is overdue [Deadline: 29/01/2021 10:30]

Cefic wants to support Green Deal
 They want to reach carbon neutrality goals for 2025 and 2030
 Chemicals industry indispensable for reaching GD goals
 Transition is connected with innovation
 Critical about Commission's "mission" that appears to be not integrated and not holistic to Cefic (he meant that every DG does its own thing and promotes its own priorities without thinking about others)
 The CSS Roundtable is an opportunity to "leverage" and to be more inclusive because "everything is interconnected"
 Cefic wants to develop a sectorial deal, a future chemicals deal. They want to have a predictable plan for the future (investment cycles.. they want to start now and not wait another 2-3 years for policy makers)

FFH then spoke words of support and appreciation for the industry; KS explained that we are preparing the Call for interest for the Roundtable and that we are bound to transparency rules for that

MB keenly supported the safe and sustainable by design of the strategy but we need the criteria fast (again: investment cycles)

FFH asked how the industry is doing at the moment from an access to finance point of view (recovery/resilience package)

MB said the approval scheme is too long for industry, 12 to 18 months without knowing you will be approved. Chemical industry needs to "electrify" to meet the climate goals by 2030 but is faced by bureaucratic jungle, and no real support for renewable energy parks in Europe. Mentioned a fantastic environmentally friendly plant BASF is setting up in China with all the support from the Chinese authorities "for sustainability" (10 billion EUR investment BASF)

FFH asked how chemical industry was viewed in countries like Poland

[REDACTED] replied that sometimes in Eastern Europe inefficient chemical plants are being kept "alive" by their governments. He also mentioned difficulties for cross-border transfers via "asbestos pipes"; MM further said that the Commission has so many initiatives that Cefic cannot follow – soon we will have the Zero Pollution! He complained about the "generic risk" of the CSS and said industry is doing its first impact assessments and "impact is very high".

█ said that the annex to the CSS was the Commission's work plan but that industry cannot necessarily follow that.

KS agreed that definitions are key. That we will develop in partnership especially with Cefic. We don't yet know how exactly they will be presented possible Commission recommendation. We already have a starting point for "essential use" which exists in the Montreal Protocol that we can adjust (not without industry).

In summarising the discussion, FFH mentioned accelerating “safe and sustainable” would be a powerful thing for industry; MB clarified something about “base chemicals” that are affected by CO2 reduction rules and if they are no longer available because they are raw materials, it is a big problem for industry. He asked that CSS and CO2 reduction goals would be more integrated. FFH concluded that “crossborder infrastructure does not work”. MB worried about competitiveness. He appreciated the “frank discussion” and reiterated Cefic is a constructive partner.

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