



2020

CEFIC SUSTAINABILITY
PROGRESS UPDATE



SUSTAINABILITY: WHERE ARE WE TODAY?

Despite significant and continuing global disruptions, including COVID, conflicts and mass migration, Sustainability remains the watchword of governments, business and citizens worldwide in 2020.

Sustainable development – balancing the well-being of our planet and people with continuing and more inclusive prosperity – underlie and lead the thinking of global policymakers. The United Nations Sustainable Development Goals (SDGs) set challenging objectives for us all. And the European Commission's Green Deal places sustainability firmly at the centre of European Union policy objectives with the ultimate aim of Europe becoming a climate-neutral continent by 2050.

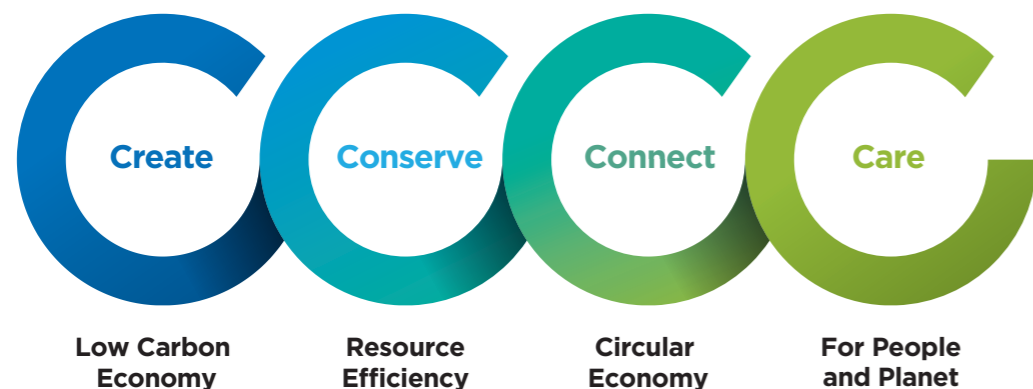
A SUSTAINABILITY JOURNEY

Cefic's Sustainable Development programme aims to accelerate the vital transition towards a safe, resource efficient, circular, low-carbon society.

Our world and industry have been in transition for some time. In 2011 the Cefic board launched a major exercise to identify existing and future global sustainability challenges for the sector resulting in the Cefic 2012 Sustainable Development Vision.

This vision showed how the European chemical industry can contribute to improving the livelihood of over nine billion people by 2050, within the planetary boundaries. It built on the Responsible Care® programme and addressed health challenges, economic prosperity and societal progress.

In 2015 a new strategic era for sustainability started with the Paris Agreement on Climate Change and the UN's 2030 Agenda for Sustainable Development. In the same year Cefic was working on developing its Sustainable Development Vision into the Cefic Sustainability Charter. Published in 2016 the Charter defines a pathway to sustainability, providing a framework for collective action.



The Sustainability Charter describes four focus areas for action: Create – a low-carbon economy; Conserve - resource efficiency; Connect - circular economy; and Care - for people and the planet.

In 2018, the chemical industry teamed up with the World Business Council for Sustainable Development (WBCSD) to develop the Chemical Sector SDG Roadmap that outlined the transformational potential of the chemical sector and described how the chemical industry could meet and support the SDGs.

And in June 2019 Cefic launched its Mid-Century Vision (MCV) - Molecule Managers – that sets out a plausible path towards a prosperous, more sustainable, healthier and inclusive Europe in 2050. The analysis behind the MCV included exploring societal megatrends and extensive stakeholder consultations and, along with the themes outlined in the Charter, anticipated and are aligned with the challenges and objectives of the European Green Deal.

But to measure progress requires reliable data and metrics, so in 2020 Cefic has started to identify a portfolio of indicators capable of assessing and driving the contribution of the EU chemical industry towards sustainability: the Cefic Sustainable Development Indicators (SDIs).



DELVING DEEPER: SDIs

This portfolio of indicators will reflect how the chemical sector is contributing to and leading the transition towards a resource efficient and circular economy within a climate-neutral Europe – the central objectives of the Green Deal. To do this, the SDIs must report on relevant actions and activities within the chemical sectors and are organized around the four sustainability focus areas of the Charter: Create, Conserve, Connect and Care.

The initial work in 2020 has investigated where appropriate SDIs already exist, and which ones are fit for purpose. From this Phase I work, a comprehensive set of initial indicators have been identified. The majority of identified SDIs are seen as Key Indicators that can drive the transition and a handful as Supporting Indicators that will illustrate the transition.

The SDIs offer comprehensive coverage of sustainability themes including reducing greenhouse gas emissions, improving energy efficiency, preventing and minimising waste, the sustainable management of water, design for resource efficiency, increasing the share of alternative feedstocks (for example biomass or CO₂), the circularity of processes, operational safety, reducing environmental footprint, sustainable portfolio management, and biodiversity.

The four Cefic Charter focus areas and set of SDIs are highly aligned with the ambitions of the Green Deal.

Of the SDIs identified the majority have data available that is already collated by Cefic and reported in relevant Cefic communications. For some of the remaining SDIs aggregate data is not currently available but can be collected and for the rest work is required to collect missing data and/ or develop a common methodology for assessing the data.

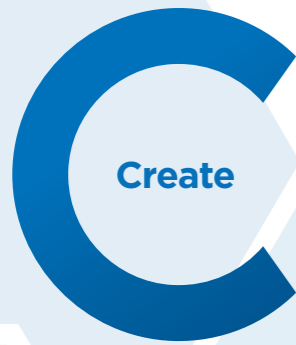
Phase 2 of the SDI programme (2020 – 2023) will see the first list refined based on the availability of data and further indicator work. A pilot reporting project is foreseen from 2022 to collect and collate data on SDIs where data is currently missing at European level.

SUSTAINABILITY CEFIC CHARTER

SDG ROADMAP

SUSTAINABILITY THEMES COVERED BY SDIs

SUSTAINABILITY INDICATORS DRIVING PROGRESS TOWARDS GREEN DEAL



Create

Low Carbon Economy



Conserve

Resource Efficiency



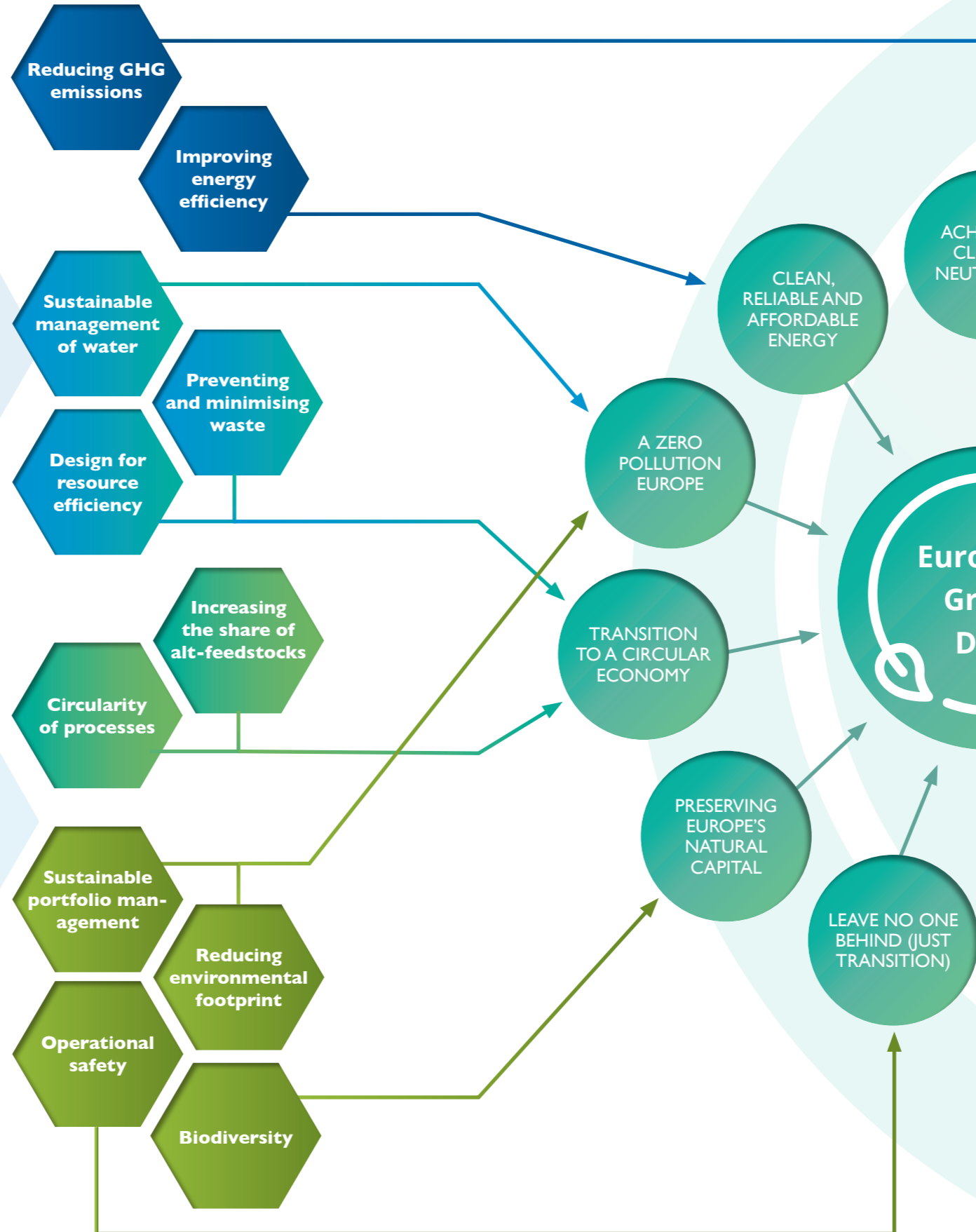
Connect

Circular Economy



Care

For people and planet



SECTOR SUSTAINABILITY

Improving sustainability requires networking, sharing best practice, and collective collaboration. The case studies below are just a few examples of the efforts that Cefic and its members are making to deliver on the Charter and SDG Roadmap. You can find more on the [Cefic website](#).

Networking for Sustainability Assessment

A common approach and shared language are essential to progress sustainability and Portfolio Sustainability Assessments (PSA) are an excellent vehicle to achieve this. A joint Cefic, WBCSD and Arthur D. Little workshop on the topic at the end of 2019 explored the current state-of-the-art. PSA methodology started about ten years ago and has evolved into in-company assessment tools that create a common understanding within a company of what sustainable performance looks like. Now Cefic is encouraging members to join a WBCSD-led PSA network where best practise can be exchanged with partners using the same methodology and a common language.



Recycling wind turbines

WindEurope, Cefic and the European Composites Industry Association have jointly published recommendations for the recycling of wind turbine blades. Although some 85 to 90% of a wind turbine's total mass can be recycled, the turbine blades represent a challenge as they are made from complex composite materials that require specific processes for recycling. With an estimated 14 000 wind turbine blades likely to be decommissioned in Europe by 2023 scaling up and improving the necessary recycling technologies and value chains is essential. The new tripartite partnership will provide effective and scalable solutions.



Euro Chlor - 20 years of sustainability focus

During 2020, Euro Chlor released its 'Mid-Century Strategy for a Sustainable Chlor-Alkali Industry' (MCS) highlighting a vision for the sector in 2050 providing a safe, competitive and green industry supporting a climate-neutral Europe. The MCS includes Euro Chlor's third 10-year Sustainability Programme (2021-2030). The first sustainability programme launched in 2001 measured data on environmental protection, social added-value, and economic viability. Its first substantive sustainability targets were published in 2004: a first in the European chemical sector. The programmes show not only the sector's collective commitment to sustainable development, but also an ability to lead and deliver major improvements, which can contribute to achieving the UN SDGs.



Solvent safety

The Solvents@Work campaign is part of the European Solvents Industry Group (ESIG)'s continuous effort to encourage responsible and safe handling of solvents. During the COVID-19 crisis, more companies are manufacturing hand sanitisers subject to compliance with WHO guidelines and following a derogation to the EU Biocides Product Regulation. These products contain flammable solvents that must be handled safely by workers in appropriate Personal Protective Equipment and transported in suitable packaging. ESIG has helped manufacturers comply with high safety standards by providing them a full range of Product Stewardship materials including posters, best practice guidelines and safety videos developed with the UK Solvents Industry Association.



WHAT IS NEXT?

Cefic's portfolio of SDIs set the basis to monitor and manage, in an open and transparent way, the chemical industry's progress towards increasing sustainability in the chemicals sector and, ultimately, to achieving our Mid-century vision and the challenging Green Deal and UN SDG goals for society as a whole.

This continuing journey will be difficult and challenging. But we must succeed and 'leave no one behind' for the good of our people, our planet and the prosperity of our sector and society as a whole.

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Cefic, the European Chemical Industry Council, founded in 1972, is the voice of large, medium and small chemical companies across Europe, which provide 1.2 million jobs and account for 16% of world chemicals production.

Cefic members form one of the most active networks of the business community, complemented by partnerships with industry associations representing various sectors in the value chain. A full list of our members is available on the Cefic website: www.cefic.org/About-us/Our-members

Cefic is an active member of the International Council of Chemical Associations (ICCA), which represents chemical manufacturers and producers all over the world and seeks to strengthen existing cooperation with global organisations such as UNEP and the OECD to improve chemicals management worldwide.



