



**POLISH
CHEMISTRY
MANIFESTO**



— WHO WE ARE ?



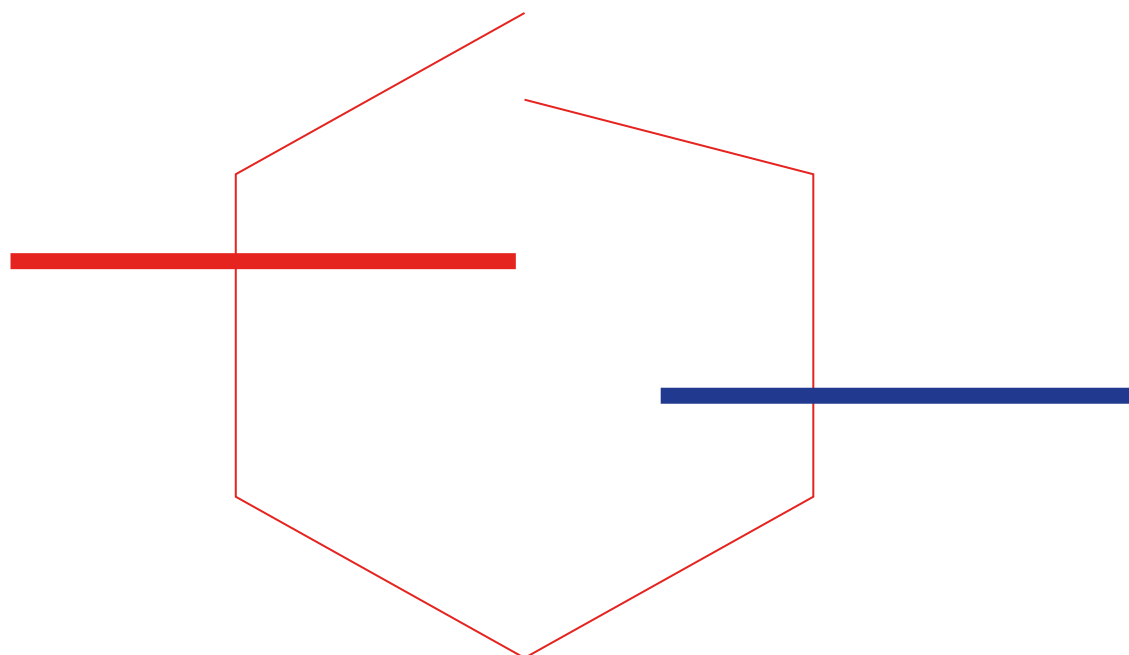
The Polish Chamber of Chemical Industry (PIPC) is an employers' organization that has represented the Polish chemical sector both domestically and internationally since 1988. As the only organization in Poland authorized to represent the chemical industry at the international level, our membership in key industry associations, such as the European Chemical Industry Council (Cefic), and collaboration with organizations like the European Chemical Employers Group (ECEG) enable us to actively participate in discussions and initiatives at the European and international levels, enhancing our influence on regulatory processes and initiatives that support industry development.

In our daily operations, we actively engage in public consultations and conduct legislative monitoring, allowing us to stay updated on legal changes and respond swiftly to new challenges. Our priority is to support the establishment of legal frameworks that foster the growth of the chemical sector and promote innovative solutions. We prepare positions and legislative amendment proposals that address the industry's needs. Additionally, we develop expert materials such as reports and analyses that provide valuable information to aid decision-making within the sector.

We implement projects aimed at developing the chemical sector and addressing its current needs. Through these initiatives, we promote collaboration within the industry and establish dialogue with various stakeholders. A description of all our activities is available on our website: <https://pipc.org.pl>

Communication is key for us. We regularly describe, summarize, and convey our actions along with significant information regarding the chemical sector. This approach fosters knowledge exchange, sharing best practices, and collaboration within the industry.

Our efforts focus not only on representing Polish chemical interests but also on actively influencing national and European economic policy. Our mission is to support the competitiveness and dynamic growth of the Polish chemical sector in a changing economic environment.



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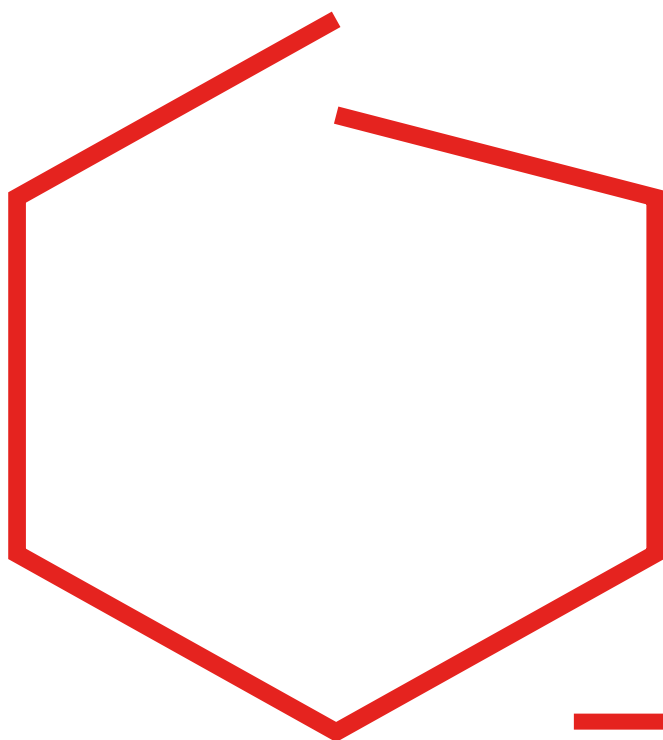
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DEAR LADIES AND GENTLEMEN,

we are proud to present to you **Polish Chemistry Manifesto**, the result of several months of work by the Polish Chamber of Chemical Industry and the entrepreneurs associated with the Chamber.

This document brings together proposals focused on six main pillars

(Market Protection, Energy Transition, Sustainable Chemistry, Circular Economy, Favorable Regulations, The Future of Polish Chemistry) and not only reflects our shared aspirations but also represents the voice of the entire industry, which we, as the Polish Chamber of Chemical Industry, aim to carry forward.

The chemical industry plays a fundamental role in ensuring the safety of Poland and its citizens, as well as uninterrupted functioning of our country. We account for nearly 20% of the sold production of the national industry and create over 340,000 jobs, making us one of the main driving forces of the Polish economy. However, these figures, although impressive, do not fully capture the role of the chemical industry. Standing at the beginning of every value chain, we provide solutions that improve the quality of life for millions of people and ensure stable development for thousands of companies in Poland and Europe. Our sector largely determines the condition of Polish agriculture, the food industry, energy sector, and transport... It is not an exaggeration to say that further economic development of the Republic of Poland and ensuring its strategic resource and product autonomy will not be possible without a strong, modern chemical industry.

In light of increasing economic pressure from non-European regions, the Polish chemical industry must urgently regain a strong competitive position. **The chemical industry in Poland is facing a number of key challenges**, and how we address them will have a significant impact on both our sector's future and that of the entire country.

Increasing burdens and regulatory volatility in Europe call into question the profitability of long-term investments. The lack of effective market protection mechanisms, dependence on supplies of basic components from third countries, and high and unstable energy prices lead to deindustrialization of Europe. As a result, we will witness a loss of valuable jobs and a transfer of production to countries with lower environmental standards and production costs, which will negatively impact Poland's and Europe's competitiveness on a global scale.

In light of the current situation, **we see the need to develop a comprehensive action plan that would eliminate regulatory inconsistencies, conflicting objectives, complexity in legislation, and excessive reporting**, while simultaneously allow for finding and implementing solutions for urgent challenges such as high energy costs or increasing competition in international markets.

We therefore appeal to you – representatives of the authorities of the Republic of Poland and EU institutions – for joint actions aimed at creating safe conditions for the chemical industry. The competitiveness and future of our sector should become a strategic priority for both the Parliament and Government of the Republic of Poland as well as EU authorities. The coming years are indeed a crucial time and the last moment to effectively face the challenges ahead.

We believe that our Manifesto and the proposals for targeted actions contained in it will inspire you to implement solutions that will allow for rebuilding the competitive position of Polish Chemistry and further development of this key sector of our economy.



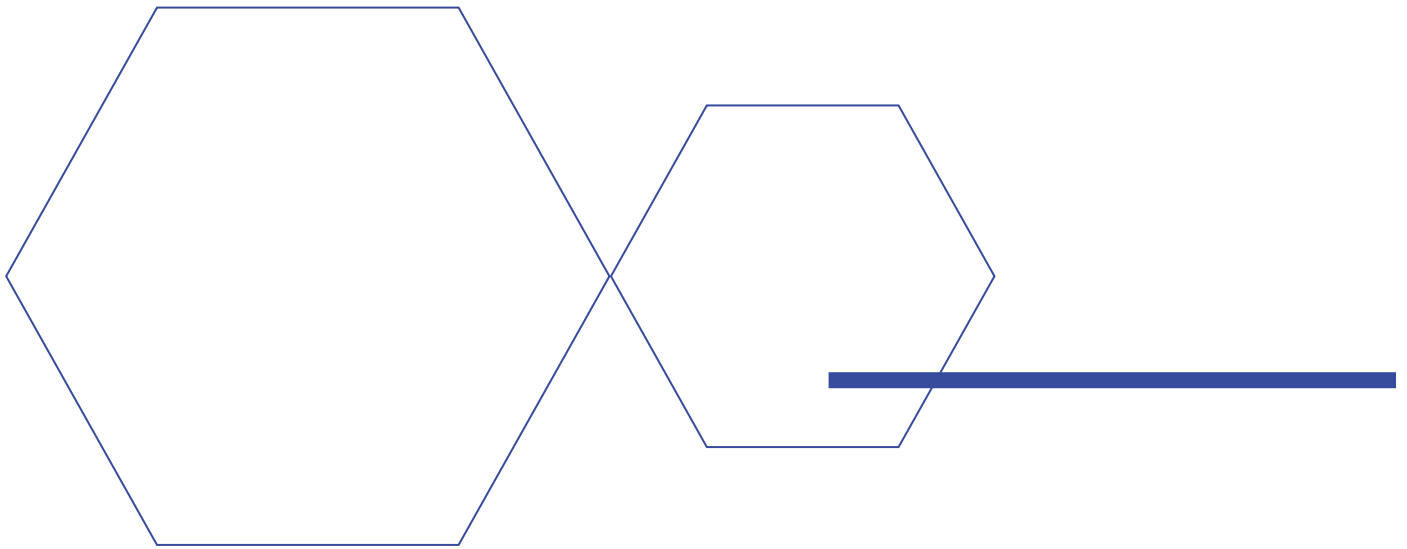
YOURS FAITHFULLY,

Tomasz Zieliński, Ph.D., Eng.,
President of the Board
Polish Chamber of Chemical Industry

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MARKET PROTECTION

- 1_ **Providing the necessary protection against price dumping of products manufactured by the chemical industry.** Revising and expanding trade protection instruments (including anti-dumping and anti-subsidy regulations), with a focus on improving enforcement of the regulations in force.
- 2_ **Verifying the effectiveness of sanctions and expanding their scope, as well as strengthening control over the enforcement of sanctions. Introducing a statement about the actual origin and manufacturer of the product** (having the relevant manufacturing infrastructure and technological facilities).
- 3_ **Strengthening customs supervision and streamlining the market monitoring system.** Strengthening EU customs supervision through the smart use of modern technologies to enable the identification of the country of origin and mode of production while reducing the administrative requirements for businesses.
- 4_ **Increasing controls in terms of meeting quality and safety standards for raw materials and products imported from outside the EU** and ensuring that all suppliers comply with the standards.
- 5_ **Adapting applicable regulations to a rapidly changing market environment.**



6_ Improving carbon footprint monitoring system for products entering the European Union market.

7_ Developing dedicated mechanisms aimed at supporting the decarbonization of entities covered by CBAM, which, due to the reduction in the number of free allowances allocated, will incur higher costs for the purchase of emission allowances.

8_ Expanding the list of goods covered by CBAM to include other chemicals produced by processing ammonia and urea. Carrying out verification of the effectiveness of the CBAM mechanism and, depending on the evaluation of its performance and the market situation, further improving it and gradually expanding it to include other chemicals, including goods produced by processes with a high demand for electricity and heat.

9_ Ensuring raw material security by way of the expansion of storage and transmission infrastructure.

10_ Diversifying methods to secure the supply of strategic raw materials which are relevant to the security of chemical companies and the Polish economy by signing relevant trade agreements and implementing trade promotion measures.

11_ Reviewing existing and planned free trade agreements in particular with regard to their impact on the operation of the European chemical industry.



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ENERGY
TRANSITION

- 1_ **Optimizing the efficiency of electricity infrastructure and increasing the share of public funds in the development of electricity infrastructure** – these measures are necessary to achieve the stability of the energy system and meet the climate policy goals.
- 2_ **Supporting the development and accelerating the deployment of low-carbon power generation technologies.** The chemical industry needs stable and reliable energy sources to secure continuous production while achieving carbon neutrality.
- 3_ **Creating dedicated investment and construction procedures** to speed up investment processes in decarbonization technologies.
- 4_ **Simplifying and standardizing administrative procedures and streamlining the process of granting permits** for the implementation of renewable energy sources and low- and zero-carbon projects, including, among other things, the production of green, low-carbon hydrogen and biomethane; access to critical raw materials and carbon-neutral production technologies.
- 5_ **Streamlining processes for obtaining and accessing funding, including for large companies, to implement zero- and low-carbon projects, without the need for an R&D path.**





6_ Creating a stable legislative environment for the implementation and development of renewable energy sources.

7_ Supporting the development of hydrogen technologies. Investing in the production and applications of low-carbon hydrogen which can play a key role in decarbonizing chemical processes.

8_ Supporting the development of CCS/CCU technology and infrastructure as one of the key technologies leading to the decarbonization of the industry.

9_ Facilitating the development of biogas plants and creating a Polish biomass market with a view to obtaining low-carbon and green energy for the industry in the context of decarbonization goals.

10_ Implementing measures to mitigate competitiveness for energy-intensive industries transitioning to low- and zero-carbon hydrogen, in the context of EU decarbonization requirements.

11_ Developing infrastructure for importing hydrogen and related fuels with a view to accelerate the decarbonization of the chemical sector, as well as securing financing for this purpose (import terminal, pipelines, warehouses/storage facilities, railroads).

12_ Developing a national-level plan to reduce the carbon footprint of the Polish transmission/electricity grid.

13_ Mapping certain areas in Poland to meet national RES targets and establishing areas for accelerated RES development, including for biomethane, which is a renewable substitute for natural gas, pursuant to the RED III directive.

14_ Establishing a guarantee system for long-term PPAs for the supply of green energy to boost RES production and decarbonize the chemical industry.





3

SUSTAINABLE CHEMISTRY

1_ Applying a comprehensive approach to regulatory measures, taking into account the importance of particular substances to specific industries and the impact on achieving the goals of the European Green Deal and climate neutrality.

2_ Considering social and economic factors in all processes, especially when including particular substances in the authorization procedure
– reviewing risk control mechanisms under REACH.

3_ Increasing demand for “green chemicals” – promoting innovation, subsidies, tax reliefs, imports oversight. Introducing a reliable and effective system that would promote green, low-carbon products with reduced environmental impact during the product life cycle at the Polish and EU levels.

4_ Promoting the use of green procurement for product supplies – expanding procurement to include criteria relating to sustainable development indicators, which would stimulate demand for clean technologies and low-carbon products.

5_ Introducing equal requirements for the use of substances in the manufacturing of products in the EU and the imports of finished goods from outside the EU.

6_ Increasing the share of public funds in investments in green technologies and searching for more sustainable chemicals.



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CIRCULAR ECONOMY

- 1_Recognizing chemical recycling technology as complementary to mechanical recycling.** Creating an appropriate regulatory framework, making it easier and simpler to obtain decisions.
- 2_Promoting and supporting the development of a recycled carbon fuels market** in pursuit of policy goals for energy diversification and decarbonisation.
- 3_Improving the mechanism of collection and sorting of plastic waste in the Polish market, and establishing a mechanism to promote waste treatment/recovery/reconditioning in Poland.**
- 4_Promoting the principles of a closed-loop economy in waste management.** Increasing consumer awareness of the differences in bioplastic labelling, both at the stage of product purchase and at the stage of segregation, recovery and disposal.
- 5_Amending regulations with a view to increasing the efficiency of the waste management market, to fully implement the principles of circular economy.**
- 6_Introducing dedicated financing and an incentive system, e.g. tax reliefs for those entities who implement circular technologies,** including technologies increasing efficiency in the use of natural resources, reducing waste, and promoting further use of waste.

5

FAVOURABLE
REGULATIONS

- 1_ **Engaging in dialogue with the industry throughout the legislative process and considering the voice of the sector already at the stage of working out tenets for regulatory changes.**
- 2_ **Aligning new obligations and standards with actual technological possibilities and potential environmental benefits**, including implementation of EU directives to the necessary extent.
- 3_ **Providing appropriate transition periods or other protective mechanisms for the implementation of changes**, taking into account the realistic timing, technical capabilities and available resources needed for adaptation.
- 4_ **Streamlining the process of issuing administrative decisions**, with particular emphasis on environmental decisions.
- 5_ **Unifying regulations and standardizing guidelines**, including those related to sustainability reporting.
- 6_ **Introducing harmonization and complementarity between new and existing regulations - avoiding double regulation.**





7_Preparing in-depth analyses of medium- and long-term regulatory impacts on enterprises, given social and economic factors. In-depth use of the experience of other EU member states in developing legislative solutions on national level.

8_Making public support procedures easier, by simplifying and speeding up formal aspects of notification to enable faster implementation of aid programmes by EU governments or public institutions.

9_Employing a technology-neutral approach towards the regulations and support systems which are being developed - adaptation to individual circumstances (at the levels of member states, regions, entities).

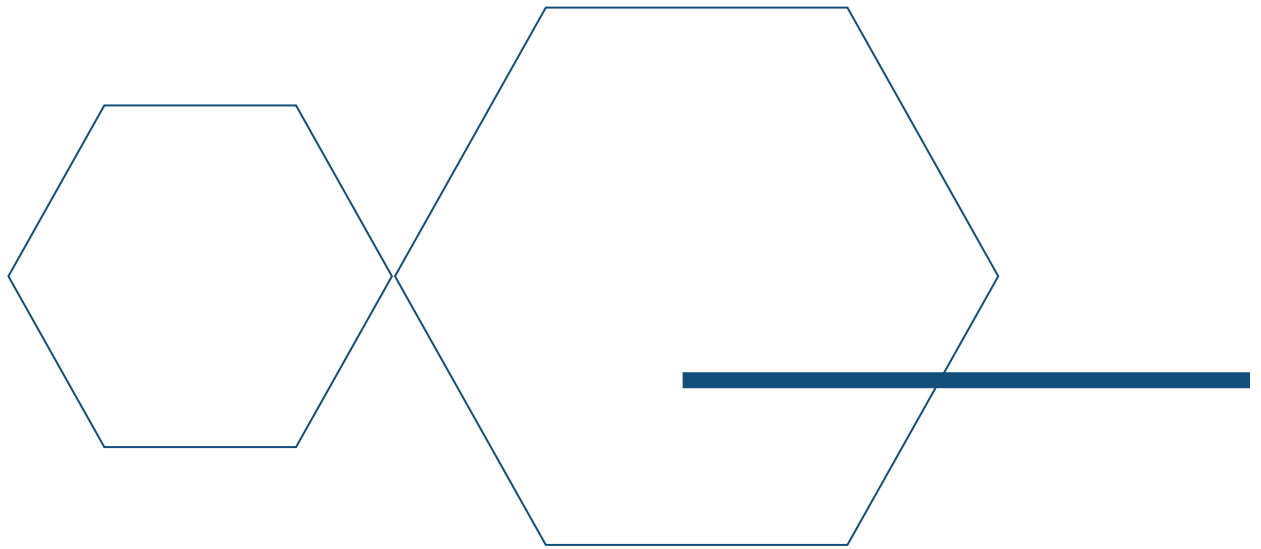




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THE FUTURE OF POLISH CHEMISTRY

- 1_ Reinforcing the safety and security of critical infrastructure**, in particular in the context of a possible energy, cyber or military threat.
- 2_ Strengthening the national cybersecurity system and enhancing cybersecurity competences** to improve the level of infrastructure security.
- 3_ Introducing legal and economic advantages for companies who decide to remain in Poland and the European Union**, including supporting nearshoring.
- 4_ Expanding public awareness of the benefits of having a renewable energy infrastructure and zero- and low-carbon solutions** in order to streamline investment processes relevant to the chemical industry and the electric power system.
- 5_ Carrying out a reform of the education system** to acquire competencies that are vital for the industry.
- 6_ Increasing the involvement of science in finding the best solutions for industry transformation purposes.** Facilitating the transfer of knowledge and technology.
- 7_ Supporting the development of a dual education system**, with the participation of businesses and schools.



8_Supporting pilot projects and facilitating the adaptation of innovations from laboratory scale to industrial scale.

9_Strengthening the intellectual property rights protection system.

10_Launching the Sector Programme related to granting financial support for industrial research and experimental development work, and implementation of innovative products and technologies aimed in particular at supporting the decarbonization of the Polish chemical industry and streamlining the transition to a closed-loop economy.

11_Simplifying acquisition procedures and offering subject-matter support in applying for funds for green transformation.

12_Supporting the promotion, implementation and use of digital technologies especially those that facilitate the decarbonization of the chemical industry.

13_Providing systemic support for chemical companies in the implementation of Industry 5.0.

14_Creating dedicated aid programmes at the national/EU level launched under conditions of market anomalies that threaten the existing operation of enterprises (e.g., sudden, uncommon increases in energy commodity prices).





POLISH CHAMBER
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