

The <u>European Chemical Employers Group (ECEG)</u> proposes the following **key recommendations** to be considered for the legislative period 2024 – 2029. We believe that actions on the below-mentioned points will strengthen the EU's chemical industry, and consequently, the whole EU's labour market.

- 1. STEM: Our sector expects a labour shortage equal to 11% by 2030<sup>1</sup>. Currently, only one in five graduates in the EU have earned their degrees in STEM tertiary education. That amounts to less than two million STEM graduates per year<sup>2</sup>. In a joint statement, the European social partners ECEG and IndustriAll Europe have outlined concrete suggestions and action points for both the national and the EU level on how to increase the number of STEM graduates in the EU.
- 2. Lack of skilled workforce: The chemical sector presently lacks skilled and highly skilled workforce. A good example is the current EU-wide shortage of highly skilled welders. There are so few skilled welders in the EU, that many companies have had to resort to mobile welding teams that are constantly moved around to provide maintenance services at sites across the different EU Member States. Potential solutions to this issue are closely linked to the next point of employees' posting.
- 3. Cross-border movement: There are several challenges in deploying workers across the single market. The application of the EU-wide A1 form, including the lack of necessary information on posting, poses significant practical challenges which cause heavy administrative burdens for cross-border short-term postings. ECEG's position paper suggests concrete solutions on how to integrate the A1 form into an *e-declaration*, a user-friendly EU-wide application to streamline cross-border employment. As remote working is increasing, companies and workers also need legal certainty for cross-border remote work.
- **4.** With regard to the cross-border **recognition of qualifications**, the available instruments such as the <u>European Qualifications Framework (EQF)</u> remain underused and do not live up to their full

<sup>&</sup>lt;sup>1</sup> "The Talent Strategy to support a Thriving Chemical Industry towards 2050", Korn Ferry (2018).

 $<sup>^{2} \ \</sup>text{https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Tertiary\_education\_statistics\#Graduates.}$ 

- potential. We recognize that more needs to be done by national authorities to make this instrument known to the industry and the public and to increase its acceptance in the labour market.
- 5. Demographic change: ECEG's EU-funded project on demographic change in the chemical sector shows that the number of 55–64 year-old employees is increasing across all Member States. The coming wave of retirement creates a big challenge for companies. Shortages are predicted for many highly skilled professions like Toxicologists, where the numbers of retiring professionals simply cannot be made up by new graduates. Increased labour mobility from third countries with regard to skilled and highly skilled workers and professionals is seen as a possible remedy in the chemical sector. Thus, we suggest simplifying the rules and finalizing the recast of The Single Permit Directive and The Long-Term Residents Directive.
- 6. Re-/up-skilling and Vocational Education and Training (VET) programmes: There is a big discrepancy among the EU Member States when it comes to both the provision of vocational education and training and funds for reskilling and upskilling activities. We ask to develop measures for training funds for example via the Research and Restructuring Fund (RRF) or sector-specific national funds.
- 7. Regulatory burden: The chemical industry has a huge amount of legislation to comply with and dozens of new laws that are to be finalised and transposed on the national level in the coming 3-5 years. In the meantime, companies are working to find solutions to comply with the 2050 climate goals. Our industry needs a "breathing space" in the form of simplified regulatory burden in the Single Market. We strongly support the Commission President's pledge to introduce a competitiveness check in EU regulation and to reduce the reporting burden by 25%.

ECEG expresses its willingness to constructively cooperate and exchange with the new members of the European Parliament on these priorities, with the main goal of safeguarding the competitiveness of European companies and respecting social partnership at all levels.

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About ECEG

ECEG, the European Chemical Employers Group, founded in 2002, is a recognised European Sectoral Social Partner, representing the chemicals, pharmaceuticals, rubber and plastics industries in Europe. Our sector provides approximately 3.3 million direct jobs in more than 94.000 enterprises.