



Draft Press Release

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EuPC Warns on the Effect of Force Majeure Declarations

The Brussels based European Plastics Converters Association (EuPC) has said that the recent series of force majeure declarations by some of the leading polymer suppliers to the European market could have very damaging effects.

'We are receiving reports from our major national associations that compounders and processors are experiencing difficulty in obtaining adequate supplies of polymer to discharge contractual obligations towards their customers', said Alexandre Dangis, EuPC's Managing Director.

'This is particularly damaging at a time when many EU states are trying to claw their way back to recovery and in particular when the EU plastics industry is in such a great position to be in the vanguard of growth with its potential to deliver customers and broader society carbon savings and resource efficiencies.'

'I am afraid', he added, 'that the force majeure could well lead to processing companies departing the EU to re-establish themselves in Asia where on the face of it a more favourable polymer supply situation persists'.

'Of course', Alexandre Dangis continued, 'shortages spell out increases in polymer prices which will need to be passed on down the customer chain. For plastics packaging manufacturers, as an example, the raw material component of the selling price of a pack accounts for as much as 60%. If increases on this cannot be passed on; this places the very viability of the manufacturing companies at serious risk.'

About EuPC

EuPC is the leading EU-level trade association, based in Brussels, representing European plastics converters. EuPC now totals 51 European plastics converting national and European industry associations; it represents close to 50,000 companies, producing over 45 million tonnes of plastic products every year. The European plastics industry makes a significant contribution to welfare in Europe by enabling innovation, creating quality of life for citizens and facilitating resource efficiency and climate protection. More than 1.6 million people are working in EU converting companies (mainly SMEs) to create a turnover in excess of €300 billion per year.