

Pharmaceuticals, Chemicals and Basic Materials Industries

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The Pharmaceuticals, Chemicals and Basic Materials Industries have been impacted differently by the sanitary crisis. A part of the chemicals and basic materials industry suffers from the production stops in the automotive industry (as they produce lacquers, tires, etc.). Some companies curbed production due to a lack of upstream supplies.

Where governments submit industry to lockdown measures and categorise sectors in essential and non-essential, the chemical industry has mostly been considered to be part of the former. This has been disputed by unions in some countries.

Other industries, e.g. the paper sector, have sought (or already have) recognition as essential - producing products such as tissues, fibre-based packaging to wrap and transport food, and medical supplies. Such a categorisation guarantees continued production and ensures privileged transport of goods. Chemicals and auxiliary materials, usually imported from China, are in short supply. Since there are few domestic substitutes for these substances, interruptions in paper production are to be expected.

The pharmaceutical industry is generally considered as essential, and is not effected by restrictions. Many companies even have to organise additional shifts to meet demand. Some companies have started the development of new drugs against COVID-19. At the same time, research is being carried out into the development of a vaccine. Companies active in these research fields are e.g. Curevac (Germany), Sanofi Pasteur (France). GSK and Dynavax contribute to projects of other companies and research associations with potentiators for vaccines.

National governments across the EU have relaxed their chemical rules to allow more companies to produce hand sanitisers.

Companies

- **BASF** in short-time work at the sites in Münster/Hiltrup, Würzburg, Schwarzheide (attempt to shift to production of hand disinfectants)
- **Bayer** is building a test laboratory for corona diagnosis on two floors at its site in Berlin, 140 employees to research there
- **Continental** in Germany stopped tyre and tube production at its site in Korbach until after Easter; 3,600 workers in short-time work
- **Goodyear** closed all tyre and tyre treading sites in Germany, France, Luxemburg, Netherlands, Slovenia and Poland at least until 3 April
- **INEOS** announced the construction of two purpose-built plants in UK and Germany to produce hand sanitiser
- **Mondi** Frantschach in short-time work
- **Roche** special shifts are currently being carried out in some plants, primarily to meet the high demand for the corona virus test
- **Sappi** slightly reduced production

Countries

- **Austria:** mainly suppliers of automotive and construction industries are affected. First raw material shortages. Differentiated situation in the plastics industry.
- **Belgium:** subjected to lockdown measures, unions called on employers to identify truly essential production
- **Finland:** chemical and pharmaceutical industries "crucial and essential sectors", operations are largely unchanged. There is a fear of a shortage of raw materials. The availability of protective clothing for clean room work is already a problem in the pharmaceutical and packaging industries.
- **Germany:** limited availability of chemicals and auxiliaries in several sectors
- **Italy:** subjected to lockdown measures, tripartite negotiations led to a more accurate categorisation of essential/non-essential
- **Netherlands:** production in the Dutch chemical and pharma industries continues. Workers report that it's sometimes difficult to keep the required minimum distance of 1.5 meter.

European Level

In the light of the current Indian export ban for certain medications and active ingredients (and limited supply from other third countries), the European Commission takes stock of the need for paracetamol, ibuprofen and certain active pharmaceutical ingredients. Diplomatic services are to secure trade flows.

Edited by industriAll Europe