CHEMICAL CONVENTION
21-23 OCTOBER 2026

The Global Race for Industrial Capacity: What Is Europe's Response?



Ram Charan
Business adviser and author

With



Stephen Sackur
Presenter, Times Radio

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10 US Industries Destroyed by China’s 90% Model

1. **Furniture**
   Home, office, outdoor furniture
2. **Toys**
   Children's toys, dolls, scooters
3. **Consumer Electronics**
   Phones, small appliances, game consoles
4. **Basic Chemicals**
   Bulk chemicals, industrial inputs
5. **Solar Panels / Photovoltaics**
   Modules, wafers, cells, polysilicon
6. **Rare Earth Processing**
   Magnet processing, rare earth refining
7. **Textiles / Apparel**
   Garments, fast fashion, fabric processing
8. **Pharmaceutical Ingredients**
   APIs, generics, core ingredients
9. **Lithium Battery Manufacturing**
   EV batteries, cell manufacturing
10. **Telecom Infrastructure**
    Mobile networks, switching gear, core systems

10 Industries Targeted: Made in China 2025

1. **Next-Gen IT / Artificial Intelligence**
   AI, IoT, cloud computing, semiconductors
2. **Robotics & High-End Automation**
   Industrial robots, service robots, automation systems
3. **Maritime Equipment & High-Tech Ships**
   Ocean engineering, high-tech ships
4. **Advanced Rail Transit Equipment**
   High-end speed trains, smart transportation
5. **New Energy Vehicles & Equipment**
   EVs, fuel cells, autonomous driving technology
6. **Power Equipment**
   Smart grid technology, renewable energy equipment
7. **Advanced Agriculture Machinery**
   Smart farming equipment, agricultural technology
8. **New Materials**
   Advanced composites, rare earth materials
9. **Biopharma & Medical Devices**
   Advanced medical equipment, innovative drugs, biotech
10. **Aerospace and Aeronautical Equipment**
    Aircraft, space systems, aviation technology

China's Newest Plan Already Names What Comes Next

From the 15th Five-Year Plan (2026–2030), released this year: six industries named as the next frontier, beyond the twenty already in motion.

1. **Quantum Technology**
2. **Biomanufacturing**
3. **Hydrogen Energy & Nuclear Fusion**
4. **Brain-Computer Interfaces**
5. **Embodied Intelligence**
6. **Sixth-Generation Mobile (6G)**

China Xi new controls . US china.

Key Sectors and Controls

- Artificial Intelligence (23 items): Targets AI models, intelligent agents, computing clusters, and advanced chip design/packaging (such as 2.5D/3D tech), though opensource releases and public domain materials are exempt.
- Photovoltaic / Solar (12 items): Covers polysilicon, silicon wafers, cell manufacturing, perovskites (prohibited), and heterojunction technologies (restricted).
- Biomedicine (5 items): Encompasses cell and gene therapies, small nucleic acid drugs (siRNA), and pathogen-related tech, with strict bans on certain IP ownership transfers.

Regulatory Process & Impact

- Public Consultation: Open for feedback until November 15, 2026, via China's Ministry of Commerce and Ministry of Science and Technology.
- Interim Rules: An immediate preexport registration requirement applies to the targeted technologies, impacting ongoing international licensing and joint ventures.

REVERSE CHOKEHOLDS

China controls the processing. But the American Sphere controls the inputs that make processing possible.

The hidden asymmetry

How I Found It: Layer by Layer

SUPPLY CHAIN 1	**China’s rare earth magnet industry**
SUPPLY CHAIN 2	**The suppliers to those magnet factories**
SUPPLY CHAIN 3	**Their suppliers**
SUPPLY CHAINS 4 AND 5	**Ultra-pure chemicals, specialty acids, precision materials**

No country has all these chemicals. None.

Most of these inputs come from America and its allies. China does not have them.

APPENDIX: CRITICAL INPUTS AND THEIR HS CODES

HS CODE	MATERIAL	APPROX. CHINA IMPORTS	DOMINANT SUPPLIERS	PRIORITY
2806.10	Electronic-grade hydrochloric acid		JP / KR / Asia	
2808.00	High-purity nitric acid		KR / Asia	
2811.11	High-purity hydrofluoric acid		KR / JP / Asia	
2809.20	High-purity phosphoric acid		KR / JP	
2919	Organophosphorus extractants (TBP, D2EHPA, P507)		DE / BE / JP / US (Lanxess, Solvay, Mitsubishi, Dow)	H
3815	Catalysts and reaction initiators		US / DE / JP / UK (Honeywell UOP, BASF, Johnson Matthey, Grace)	H
3914	Ion-exchange resins		US / UK / JP (Purolite, DuPont, Mitsubishi)	H
3904	PTFE, PVDF, FEP fluoropolymers		US / EU / JP (Chemours, Solvay, Daikin)	H
8421	Filtration and purification machinery		DE / DK / US / JP (Sartorius, Danaher, Alfa Laval, Ebara)	H
9027	Analytical instruments (ICP-MS, XRF, GC/LC)		US / UK / JP (Agilent, Thermo, Revvity, Shimadzu)	H
9032	Automatic control systems and PLCs		DE / US / JP (Siemens, Emerson, Rockwell, Yokogawa)	H
8486	Semiconductor manufacturing tools		NL / JP / US (ASML, Tokyo Electron, Applied Materials, KLA)	H+
2933	Heterocyclic fine chemicals		US / DE / IE / FR	MH
2934	Other heterocycles and nucleic-type reagents		US / EU / CH	MH
8413	Industrial pumps		DE / US / IT / JP (Grundfos, Flowserve, Sulzer, Ebara)	MH
8481	Industrial valves		DE / US / IT / JP (Emerson, Flowserve, Spirax-Sarco, Kitz)	MH
2850	Hydrides, nitrides, borides		US / DE / JP	MH
2830	Sulfides and polysulfides		EU / US	M
2821	High-purity iron oxides and hydroxides		EU / JP	M
2846	Rare earth compounds		US / EU / JP	M
3923 / 3926	Process plastics (bags, manifolds, tubing)		US / EU / JP	M
3104	Potash (industrial grades)		CA / EU	L-M

Import values are approximate annual figures, shown where available; totals include non-targeted uses. Priority: H+ highest, H high, MH medium-high, M medium, L-M low to medium. Source: Author's analysis.

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