

CALL FOR ACTION

MARCH 2025

The
VALUE of
BEAUTY

The Value of Beauty Alliance CALL FOR ACTION

We call on the EU institutions to establish a regular Dialogue with the beauty and personal care value chain to discuss the impact of EU policies and legislation on their competitiveness.

The beauty and personal care value chain adds €180 billion to the EU's GDP, equivalent to €496 million generated every single day and supports almost 3.2 million jobs.¹ In the EU27, latest figures show that the beauty and personal care industry spends over €2 billion a year on R&D.² SMEs form the backbone of the European beauty and personal care value chain, which are typically family-owned companies, with deep expertise, creating vital employment also in less-industrialized areas. EU beauty and personal care manufacturing companies exported €26 billion worth of goods to customers outside of the EU. This makes the EU27 the largest beauty and personal care exporter worldwide³.

The recently proposed Clean Industrial Deal focuses on heavy industry, in particular on the need for more affordable energy and spurring access and demand for clean tech and raw material. Heavy industries have faced significant challenges due to high energy input costs and competition from low wage economies. Access to bio-based and critical raw materials is a priority also for companies in our value chain, which are investing heavily to develop more sustainable materials and ingredients. For energy-intensive industries such as packaging companies and glass-makers, making energy more affordable is also key.

The Clean Industrial Deal also rightly stresses the importance of looking at entire value chains when designing policies. Uninformed and misguided policymaking can, even inadvertently, put at risk the EU's leadership in beauty and personal care, as well as the sector's savoir-faire and cultural relevance.

This is why we call on the EU to urgently review recently adopted legislation on the treatment of urban wastewater to ensure that all sectors contributing to micro-pollutants in water are held responsible, in line with the polluter pays principle.

The EU beauty and personal value chain continues to grow and lead in global competition, with 5 of the 7 largest beauty companies headquartered in the EU⁴, but this lead is not a given.

¹ Oxford Economics (2024). The Value of Beauty: The socio-economic impact of the beauty and personal care industry in the EU27. Value of Beauty Alliance.

² Ibid

³ Cosmetics Europe & Euromonitor International (2023). Market Performance: European Cosmetic, Toiletry & Perfumery Data.

⁴ Oxford Economics (2024). The Value of Beauty: The socio-economic impact of the beauty and personal care industry in the EU27. Value of Beauty Alliance.

Upcoming proposals to revise the REACH regulation on chemicals, as well as the call for evidence for amendments to the Cosmetic Product Regulation, should focus on ensuring the safety of our consumers and citizens while protecting the environment, based on the real-world use of ingredients.

This revision should maintain high scientific standards based on risk assessment and not fall victim to over-simplification, with use of hazard-based approaches.

As global competition grows, EU's trade agreements must prioritise market access, reduce regulatory barriers, and support the export of high-quality and innovative European products such as ours.

To ensure a level playing field with non-EU players, the EU should reinforce customs checks and double down on enforcing environmental and sustainability requirements for imported products, also online.

The beauty and personal care industry champions the transition to a bioeconomy. To unlock this potential in Europe, we need policies that support sustainable ingredient manufacturing, address the "green premium" i.e., the additional cost of choosing more sustainable technologies, ensure a level playing field, and secure long-term sustainable feedstock supply.

Our value chain is a major contributor to job creation and social mobility, with women accounting for 72% of our workforce, largely surpassing the average of 46% for other sectors. The industry also employs approximately 240,000 people under 25, representing 12% of the sector's workforce, well above the EU average of 8%⁵. We offer high-quality jobs in areas ranging from research and development to manufacturing, retail and marketing, investing heavily to provide training, upskilling and development opportunities that enable employees to build fulfilling careers.

We are keen to work with the EU to develop the training programmes and investment instruments needed to upskill our workforce.

The EU's most recent efforts to reshore its heavy industry should go hand in hand with strategies to ensure that other well-performing European industries, such as beauty and personal care, continue to thrive on the global stage.

This is why we call on the EU institutions to engage with us in a constructive dialogue and put our expertise at their disposal to discuss policies that support the EU beauty and personal care value chain's global competitiveness.

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⁵ Oxford Economics (2024). The Value of Beauty: The socio-economic impact of the beauty and personal care industry in the EU27. Value of Beauty Alliance.

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