

## Press release

Brussels, 17 March 2026

# CEOs of Europe's beauty and personal care value chain issue competitiveness wake-up call, urging EU leaders to safeguard Europe's industrial champions

---

### Key points:

- *Now expanded to 17 companies, the Value of Beauty Alliance brings together actors from across Europe's entire beauty and personal care value chain, reflecting the breadth and importance of the industry's ecosystem.*
  - *The Alliance CEOs call on EU leaders to act now to safeguard Europe's industrial champions – through coherent regulation, regulatory simplification, fair and proportionate implementation of rules, stronger trade alignment, and better framework conditions for innovation.*
  - *The European beauty and personal care value chain is a strategic industry for the continent: with €180 billion contribution to EU GDP, nearly €30 billion in exports, and 3.2 million skilled jobs supported, it forms a highly innovative industrial ecosystem and stands as a global industrial leader.*
- 

For the third consecutive year, the Value of Beauty CEO Forum gathered in Brussels on 17 March. At a pivotal moment for EU industrial policy and trade, the newly expanded Alliance is issuing a wake-up call to European policymakers: without urgent action, Europe risks weakening one of its most competitive and globally influential industries.

Against the backdrop of major EU policy developments, the Alliance urges policymakers to deliver coherent and fair framework conditions, built on regulatory predictability, proportionate and evidence-based implementation of rules, fair cost allocation, open trade, and stronger support for innovation. Today, the European beauty and personal care industry's global leadership is at risk – and it must be safeguarded.

The beauty and personal care value chain spans farmers, biotech innovators, manufacturers, brand owners and retailers, forming one of Europe's most dynamic industrial ecosystems and a long-standing global reference point for safety, innovation and sustainability. The sector contributes €180 billion to EU GDP, generates nearly €30 billion in exports, and supports 3.2 million skilled jobs across Europe.

Yet this leadership cannot be taken for granted. As global markets evolve, other regions are moving fast with coordinated industrial strategies. At the same time, European companies face rising energy costs, increasing regulatory complexity, and a widening misalignment between policy ambition and innovation cycles. This, in turn, threatens its global leadership, competitiveness, and influence. The recent decline in European beauty and personal care export data serves as a clear warning to all.

Today, the CEOs of the Alliance warn against the increasing fragmentation and unpredictability of evolving, and increasingly complex, regulatory requirements. With up to 70% of R&D budgets in the beauty and personal care industry now diverted to reformulation rather than breakthrough innovation, companies are left having to swiftly adapt. While high safety standards and consumer trust remain non-negotiable for the Alliance, CEOs caution that unpredictability and duplication are constraining investment in next-generation products and breakthrough innovation:

*“We applaud President von der Leyen's call to cut red tape and end gold plating across Europe. These words must now turn into action. The beauty industry is already a global leader when it comes to sustainable innovation, yet we are currently being forced to spend up to 70% of our R&D budgets on reformulation and compliance. Every euro lost to regulatory complexity is a euro Europe can't afford to waste. The time has come for Europe to stop being the world's Chief Regulator and start becoming its Chief Innovator.”*

Nicolas Hieronimus, CEO, L'Oréal Groupe

More specifically, the CEOs warn that the implementation of the Urban Wastewater Treatment Directive (UWWTD) risks placing a disproportionate financial burden on the industry. They urge policymakers to ensure an evidence-based and proportionate application of the “Polluter Pays Principle”, stressing that its application must be science-based, fair, and that each sector should bear its fair share of responsibility.

The CEOs also caution that elements of the Packaging and Packaging Waste Regulation (PPWR) should reflect the specific safety, hygiene and design requirements of cosmetic

and personal care products. While expressing their unequivocal support for sustainability goals, they call for a more pragmatic and up-to-date framework, so that companies can focus on delivering sustainability and innovation, rather than diverting those resources to navigating overly complex and unworkable rules.

In a context of regulatory fragmentation, the Alliance reiterates its support for open and rules-based international trade, while stressing that tariff reduction must be accompanied by deeper regulatory convergence that preserves Europe's competitiveness and leadership as a global rule-maker in beauty and personal care.

Finally, the CEOs of the Alliance underline that, beyond trade, internal structural barriers remain, which require urgent attention. Mainly built on SMEs, with over 9,600 companies active across the industry, the beauty and personal care value chain depends on better access to capital, a stronger Single Market, and affordable energy. Advancing a genuine Capital Markets Union and reducing administrative fragmentation will be critical to anchoring manufacturing and innovation in Europe.

Echoing the spirit of the recent Single Market report led by Enrico Letta, the CEOs describe this as a defining moment for Europe's industrial strategy:

*“We need to move from promises to action. Everything is on the table to unlock our industry's potential. Safety is non-negotiable – but without clear, predictable regulation, responsible investment becomes a shot in the dark. Brussels must restore the predictability required to safeguard our global leadership.”*

Vincent Warnery, CEO, Beiersdorf

The message from Brussels is clear: the beauty and personal care industry is a strategic European asset. Safeguarding its global leadership requires regulatory coherence, proportionate implementation, open and convergent trade, and decisive action to strengthen Europe's competitiveness. The time to act is now.

***About the Value of Beauty Alliance***

The Value of Beauty Alliance brings together actors of the European beauty and personal care value chain to raise awareness of the importance of cosmetics products and the positive impact the industry has in Europe both at an economic and societal level, and on key topics such as sustainability.

**For media enquiries, please contact:** [valueofbeauty@fleishmaneurope.com](mailto:valueofbeauty@fleishmaneurope.com)

