



## KRV statement on the current geopolitical crisis and the market situation

### When providing raw materials and energy, do we need the benchmark of systemic relevance?

*Bonn, March 21, 2022.* Like many other people in Germany, Europe and the entire world, all members, the board and the management of the Kunststoffrohrverband e.V. (KRV) are dismayed that after more than 70 years peace in Europe, a war has started again.

We join the demands that the hostilities be stopped immediately and thus additional suffering of the people in the region be avoided. From our point of view, it is important that all democratic forces stand together and that the people in need - locally and in Germany - are helped in this situation.

This geopolitical crisis has already had an impact in Germany. Soaring prices for crude oil and energy affect all participants in the various value chains.

In addition to the price increases for raw materials and polymers that have already been announced and are still to be expected, in all likelihood there will also be limited availability of products for all partners in the supply chain. Although everyone involved is working flat out to minimize the resulting risks for their customers. They also point out the considerable pressure that is currently weighing on everyone.

In the last two years, the Covid-19 pandemic has led to an imbalance in the supply and demand for plastic products worldwide.

The geopolitical situation in Eastern Europe and the resulting political decisions to realign material flows are now putting further pressure on the availability of raw materials.

Basically, it should be borne in mind that many different products make a significant contribution to the success of the energy transition and also make civilian life in Germany possible in the first place. Primary products for medical applications should be mentioned here, but also products used in the area of infrastructure such for supply and disposal applications (drinking water, waste water, local and district heating, etc.) and also for renewable energies (protection pipes for extra-high voltage lines, geothermal energy, Green hydrogen etc.).

A break in the flow of material would put the achievement of the goals - declared by the federal government - with regard to the transformation (energy transition) a long way off. However, there is currently no alternative to this transformation in terms of greater independence from the import of fossil raw materials.

In this context, we see the first signs that as an open and democratic society we need a holistic discussion about the providing of raw materials is necessary according to systemic relevance.