

Top issues facing general counsel in the EMEA chemicals industry

The role of general counsel in the chemicals sector is evolving rapidly. Against a backdrop of geopolitical uncertainty, regulatory reform, technological disruption and increasing stakeholder scrutiny, legal leaders are being asked to provide far more than legal advice. Today's general counsel is expected to be a strategic adviser, risk manager, business partner and transformation leader.

Discussions among senior legal leaders across the EMEA chemicals industry highlighted five key issues that are shaping the general counsel agenda.

1. Navigating a fragmented geopolitical environment

Geopolitical developments continue to drive significant business risk across the chemicals sector. Ongoing tensions involving Russia, China, the US and the Middle East are reshaping supply chains, trade relationships and investment decisions. Companies face increasing complexity as sanctions regimes become more extensive and, in some cases, conflicting.

For legal teams, this means managing compliance across multiple jurisdictions while helping businesses maintain resilience and continuity. Export controls, sanctions compliance, supply chain diversification and the management of cross-border operations are now central areas of focus. The growing use of trade measures and countermeasures, particularly around strategic materials and technologies, has elevated the importance of proactive legal oversight and scenario planning.

2. Responding to regulatory complexity while driving competitiveness

The EMEA chemicals industry continues to operate within one of the world's most demanding regulatory environments. New obligations relating to packaging, waste management and sustainability, combined with ongoing developments to the registration, evaluation, authorisation and restriction of chemicals (REACH) and broader chemicals legislation, require significant legal and compliance resources.

At the same time, industry leaders are closely monitoring efforts by European policymakers to simplify regulation and improve competitiveness. The challenge for general counsel is to help organisations navigate current requirements while preparing for future reforms. Increasingly, legal teams are expected to balance compliance obligations with commercial growth objectives and ensure that regulation does not become an obstacle to innovation and competitiveness.

3. Leading the adoption of artificial intelligence

Artificial intelligence (AI) has moved beyond experimentation and is becoming a core business transformation initiative. Legal departments are already using AI to increase efficiency, expand capacity and improve risk identification. Roundtable participants reported tangible benefits including increased contract review volumes, improved management of export control issues and the consolidation of adjacent functions within legal teams.

As AI adoption accelerates, general counsel are increasingly taking ownership of governance, risk management and implementation strategies. Key considerations include technology selection, workforce impacts, data governance, supplier relationships and the development of meaningful performance metrics. Legal leaders are also playing a critical role in helping boards understand both the opportunities and risks associated with AI-driven transformation.

4. Managing climate litigation and reputational risk

While environmental, social and governance (ESG) as a corporate theme has evolved, climate-related litigation remains a significant source of risk for chemical manufacturers. Non-governmental organisations (NGOs), activist investors and claimant groups are becoming increasingly sophisticated in their approach, while climate-related claims continue to attract public attention and influence corporate reputation.

General counsel are therefore placing greater emphasis on litigation preparedness, governance and communications. Particular attention is being paid to product claims, sustainability messaging and reputational risk management. Companies are increasingly reviewing business decisions through the lens of potential climate-related legal exposure and stakeholder scrutiny, recognising that reputational consequences may be as significant as legal ones.

5. The emergence of the “GC Plus” role

Perhaps the most significant trend is the continued expansion of the general counsel role itself. Legal leaders are spending more time on strategic business issues and less time on traditional legal work. Boards increasingly expect general counsel to anticipate risks, provide practical solutions and contribute directly to corporate strategy.

This shift requires a broader skillset encompassing leadership, commercial judgment, stakeholder management and organisational influence. General counsel are becoming more deeply involved in areas such as sustainability, cybersecurity, AI governance and enterprise risk management. Rather than acting solely as legal advisers, they are expected to help shape business outcomes and create measurable value for the organisation.

Looking ahead

For general counsel in the EMEA chemicals industry, the environment is becoming more complex, interconnected and fast-moving. Success increasingly depends on the ability to balance risk management with business growth, navigate regulatory and geopolitical uncertainty, embrace technological change and provide strategic leadership at the highest levels of the organisation.

The legal function is no longer viewed simply as a cost centre or compliance function. It is becoming a critical driver of resilience, competitiveness and transformation across the chemicals sector.

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