

International Trade

Extra-EU chemicals trade balance

1. Chemicals Industry Profile

2. International Trade

Extra-EU chemicals trade balance

Extra-EU chemicals trade by region (exports & imports)

Extra-EU chemicals trade flows with major geographic blocs in € billion (2010)

EU chemicals trade surplus: sectoral breakdown

EU chemicals trade competitive analysis broken down by region

Extra-EU chemicals trade flows detailed analysis by sector

Extra-EU chemicals trade flows detailed analysis by country

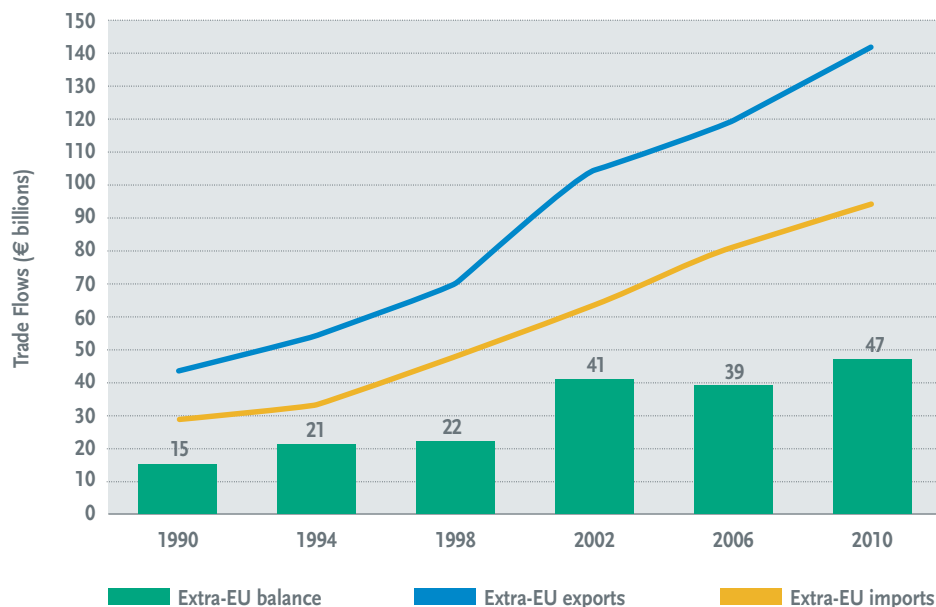
3. Growth and Competitiveness

4. Employment

5. Energy

6. Investment and R&D

7. Sustainable Development



Sources: Eurostat and Cefic Chemdata International

Unless specified, chemicals industry excludes pharmaceuticals
Unless specified, EU refers to EU-27

The EU chemicals trade surplus at record level in 2010

- As a historically important player in the global chemicals market, the EU chemicals industry has been, and continues to be in a position to benefit from trade opportunities.
- In 2010, the chemicals sector in the European Union generated an extra-EU trade surplus of €47 billion, €4 billion more than in 2009.
- The EU chemicals industry registered a solid recovery in 2010 after the economic crisis in 2009. The EU trade surplus with the rest of the world reached a record level in 2010 and remains a key driver for sector growth and competitiveness.

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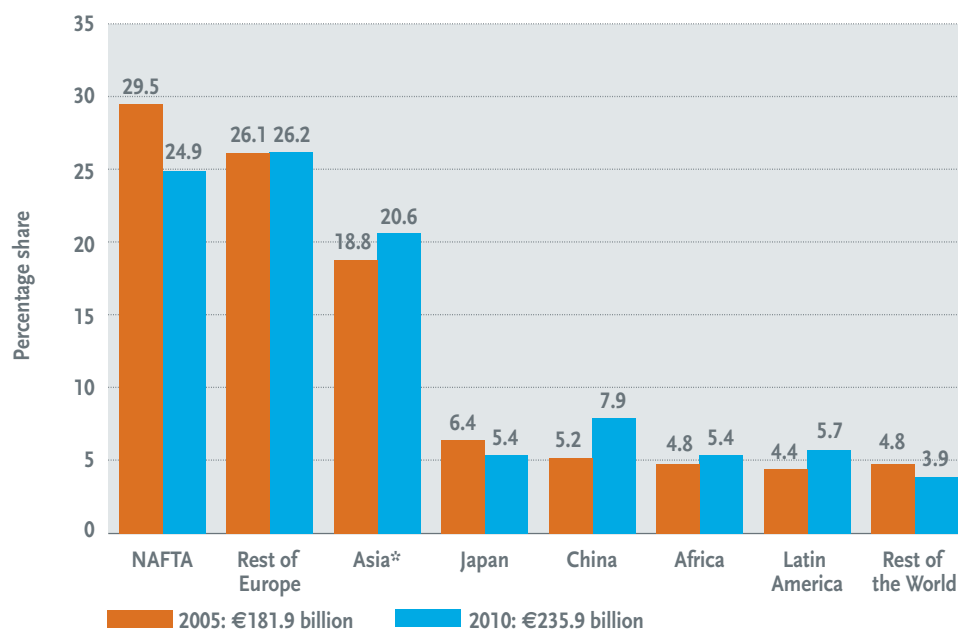
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* Asia excluding Japan and China

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Half of all extra-EU chemicals trade now occurs with NAFTA and Rest of Europe

- Extra-EU chemicals trade flow, calculated as total exports plus imports, was mainly attributable in 2010 to “Rest of Europe”, with 26.2 per cent of trade flow, followed by the North American Free Trade Agreement market (NAFTA), with 24.9 per cent.
- Asia, excluding Japan and China, accounts for 20.6 per cent of EU trade flows with non-EU countries. Taken together, the ‘Rest of Europe’, NAFTA and Asia markets contributed in 2010 to 85.1 per cent, of total trade flows.
- Comparing 2010 to five years prior, NAFTA and Japan registered a decline in their contributions to total trade. The Rest of Europe, China and the Rest of Asia have increased their contributions.

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Extra-EU chemicals trade flows with major geographic blocs in € billion (2010)

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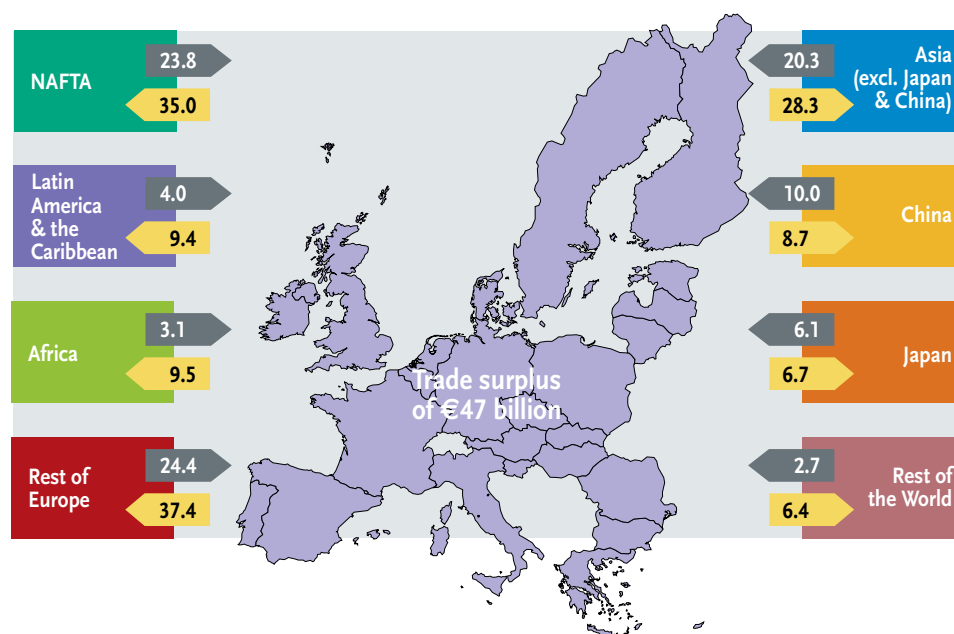
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EU chemicals trade flows in € billion (2010)



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EU chemicals sector posted in 2010 a significant trade surplus with main competing world markets

- The three major geographic blocs trading with the European Union in 2010 were: Rest of Europe, North America, and Asia (excluding China and Japan).
- Apart from China, the European Union has a surplus with each main trading region – NAFTA, Asia, Japan, Latin America, Africa, Rest of Europe and Africa. The EU chemicals sector broadly retained its market share in terms of global chemicals sales during the last decade.
- The Rest of Europe market played a major trade role in 2010 for the European Union. The EU chemicals sector had a €13 billion net trade surplus in chemicals with non-EU countries.
- The Trade Competitiveness Indicator (TCI) – an indicator that compares the trade balance to the total trade, namely exports plus imports of a region – reveals a deteriorating competitiveness, however, of the overall EU chemicals industry since 2003.
- Trade data from 1998 to 2010 show that the TCI for the EU chemicals industry went down from 25 per cent in 1988 to only 20 per cent in 2010. This means that total chemicals imports are growing faster than total chemicals exports.

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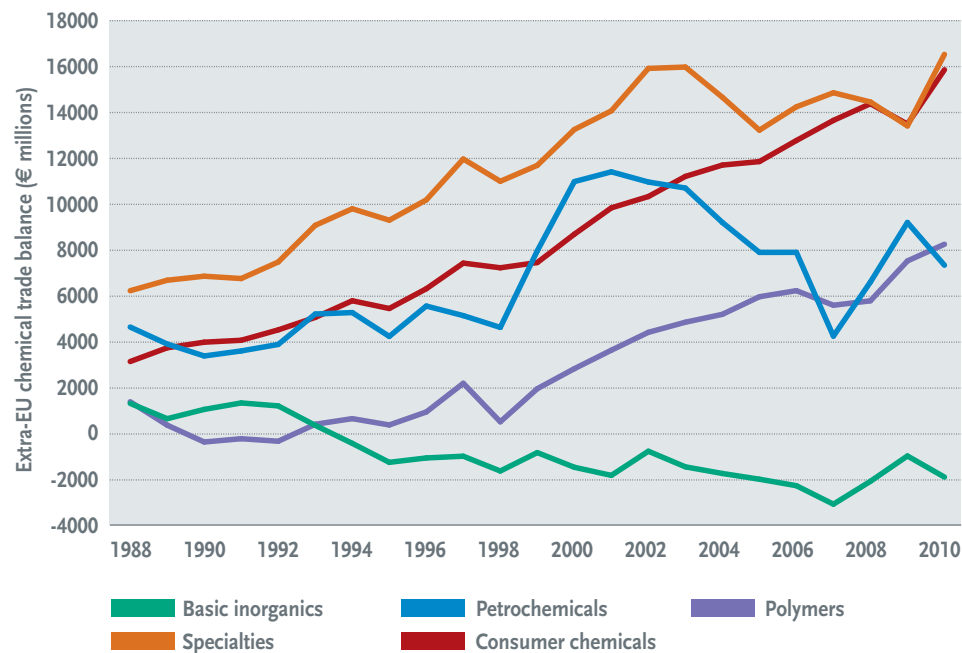
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Specialty and consumer chemicals in 2010 accounted for 70 per cent of extra-EU chemicals trade surplus

- The EU chemicals trade surplus in 2010 reached nearly €47 billion. Specialty chemicals accounted for 36 per cent of the EU chemicals trade surplus, with a value of €16.8 billion.
- The consumer chemicals subsector had the second strongest external trade performance, contributing €16.1 billion to the EU trade surplus, followed by polymers at €8.4 billion and petrochemicals at €7.5 billion. Basic inorganics experienced a trade deficit of €1.9 billion – the only sector with a trade deficit since 1994.
- The sectoral analysis shows specialty chemicals and consumer chemicals performed well in 2010. The trade surplus in these sectors increased by 23 per cent and 18 per cent respectively in 2010 compared with 2009. Polymers registered a comparably low 10 per cent increase in terms of trade surplus in 2010 compared with 2009. Petrochemicals in 2010 registered a decline in overall trade surplus, however, of 20 per cent.

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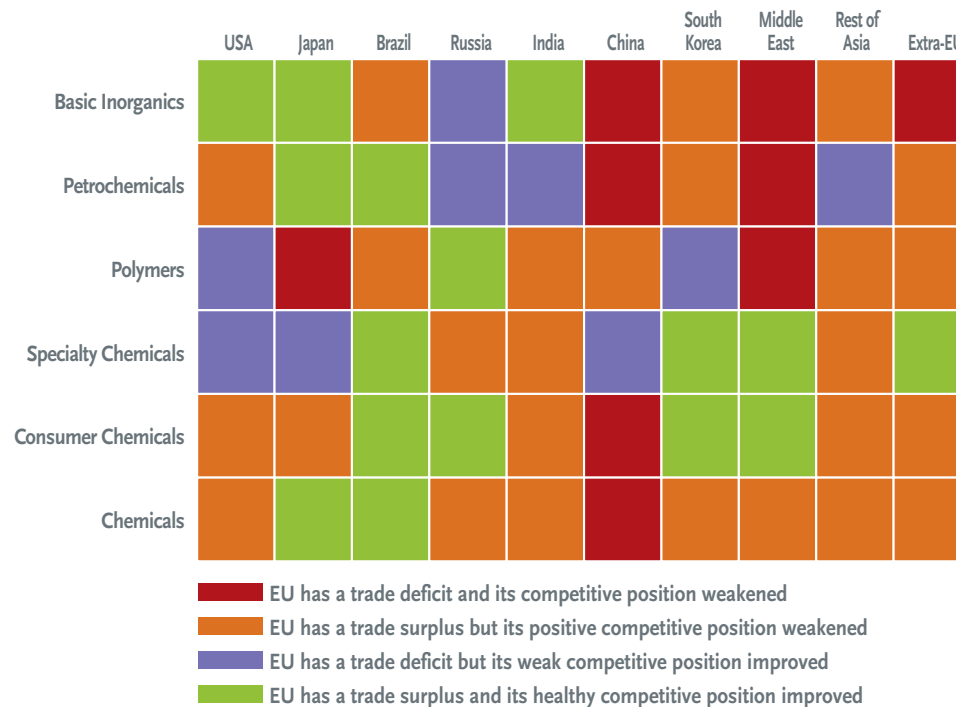
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Trade analysis: 2010 versus 2009



Source: Cefic Chemdata International

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EU trade position is deteriorating with key countries in Asia for almost all sub-sectors

- A look at the EU trade balance in relation to a number of key countries and regions shows that the EU's position is deteriorating with certain key countries in Asia for almost all sub-sectors.
- China is the only country with which the European Union currently has a trade deficit for all chemicals sub-sectors except polymers.
- Continued trade development with the Middle East indicates that this region increasingly uses its feedstock availability, namely petroleum, to develop an integrated chemicals value chain and to strengthen its position in a wider range of basic chemicals.
- Russia has up until now only been successful in using its competitive advantage in raw materials for base chemicals.

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Extra-EU chemicals trade flows detailed analysis by sector

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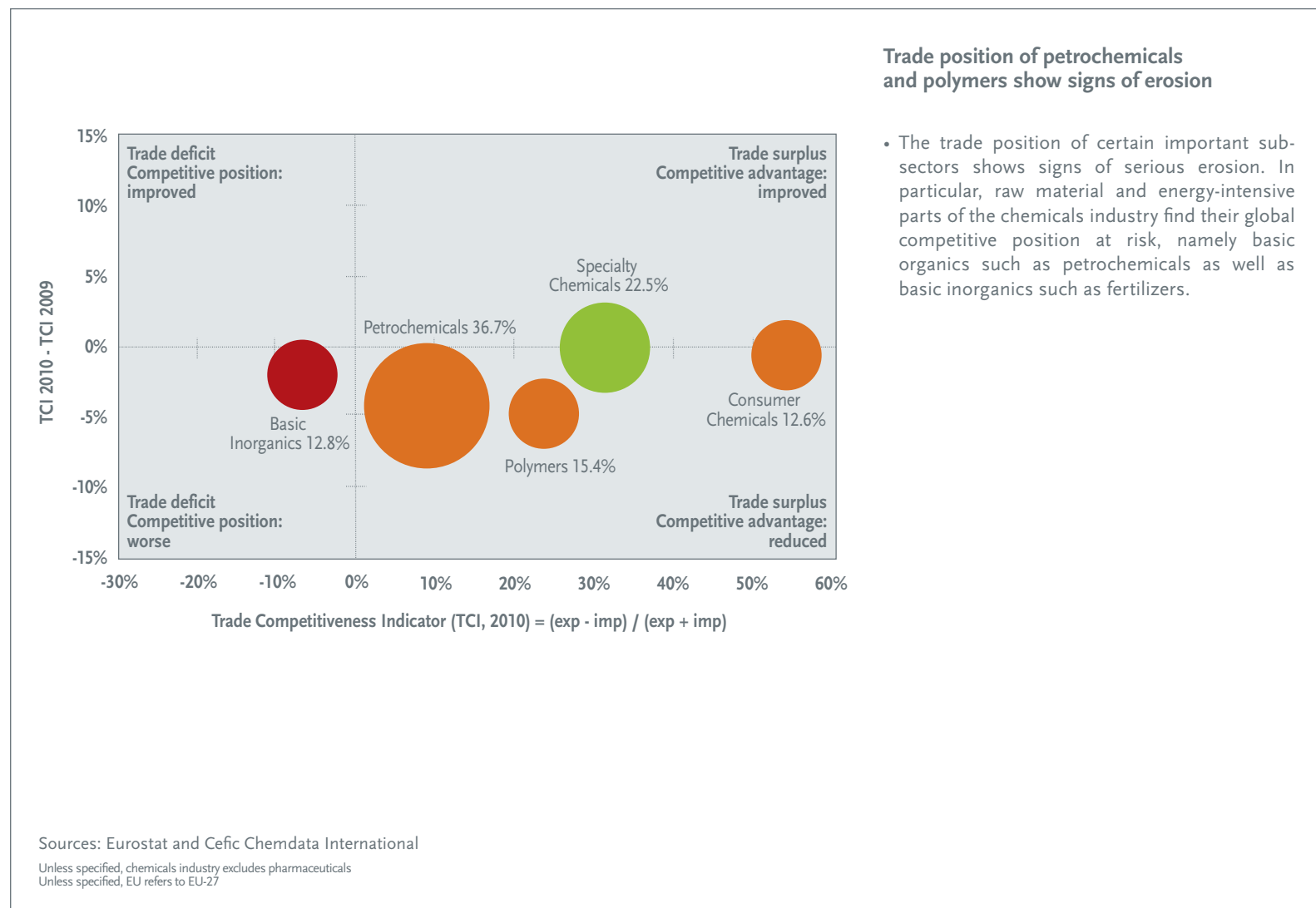
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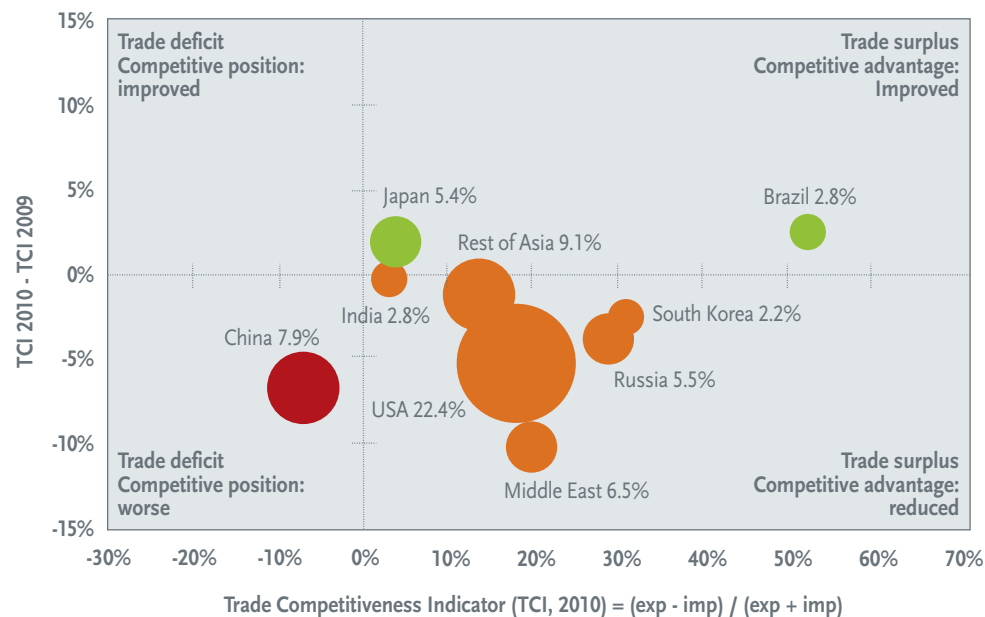
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Global trade competitiveness of the EU chemicals industry is at risk

- International trade is vital for growth and employment of the European chemicals industry. The industry has placed itself at the centre of global trade and thus depends vitally on open markets.
- As the most rapid growth is concentrated in the emerging economies, favourable access to these markets is highly important.