

PLASTICS MATERIALS AND MACHINERY EXPORT GUIDE

A Reference for U.S. Exporters in the Plastics Industry

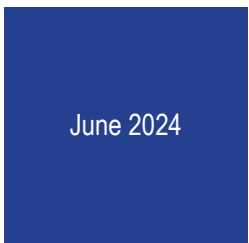


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U.S. COMMERCIAL SERVICE SUPPORT FOR U.S. EXPORTERS:

The U.S. Commercial Service is the export-promotion agency of the United States Department of Commerce. We provide a wide range of services and programs to help U.S. companies increase their sales of goods and services to foreign markets. Our U.S. trade specialists and foreign commercial specialists will assist you in identifying trade opportunities, finding local business partners, launching your company, promoting your products and services, obtaining valuable market research intelligence reports, and protecting your intellectual property rights. U.S. Commercial Service trade specialists in over 100 U.S. cities and in nearly 80 countries stand ready to help you get started in exporting or increasing your sales to foreign markets.

WHY U.S. EXPORTERS SHOULD WORK WITH US:

- Our specialists will assess markets of opportunity and connect you with potential distributors and partners.
- Through our customized programs, such as the International Partner Search or the Gold Key Service, we can connect you to potential partners.
- Our overseas specialists can provide you with market research, industry-specific or custom-tailored information on growth sectors, local competition, etc.
- Our services will help you maximize your time at international trade shows, including matchmaking and pre-show promotional programs.
- We can assist you to overcome trade obstacles and provide guidance on trade financing.

To learn more about what U.S. Commercial Service can do for your company with market research intelligence, information on trade events, trade leads, and guidance on how to export, please visit www.trade.gov

Check out this video about U.S. Commercial Service:
<https://www.youtube.com/watch?v=pRRsmcWtpt4>

Contact your local office today to connect with a world of opportunity, find your local office here:
<https://www.trade.gov/commercial-service-offices-us>



**U.S.
COMMERCIAL
SERVICE**

United States of America
Department of Commerce

ABOUT THE MARKET BRIEFS:

This “Plastics Materials and Equipment” Export Guide is produced by the U.S. Commercial Service and contains market brief insights into important export markets for U.S. firms. The purpose of this guide is to provide market intelligence to support U.S. companies in the plastics industry that are interested in entering new export markets.

These industry market briefs were written by the Commercial Specialists responsible for the plastics sector in their respective countries. Their contact information is located at the top of each country’s market brief. We hope this booklet will be a source of practical, hands-on export information.

Please feel free to contact us for further information.

Note: The information contained in this booklet is intended to be a basic export market snapshot for U.S. exporters of plastics/rubber materials and machinery. It is not a comprehensive market report. The US&FCS makes every reasonable effort to ensure the accuracy and completeness of the information in this Guide. The US&FCS provides this information as a resource for U.S. businesses to use in the exercise of their business judgment. U.S. businesses should conduct their own due diligence before relying on this information. When utilizing the information provided, the U.S. business is responsible for complying with all applicable laws and regulations of the United States, including the U.S. Foreign Corrupt Practices Act (FCPA). References and links to third parties and their content are provided for the convenience of readers and are not exhaustive lists of such resources. The US&FCS is not responsible for the availability or content of any third-party content, whether found on an external site or otherwise; nor does US&FCS endorse the third-parties or endorse, warrant, or guarantee the products, services, or information described or offered in any third-party content. Please be aware that when you follow a link to an external site, you are then subject to the privacy and security policies and protections of the new site.

GLOBAL PLASTICS TREATY:

In March 2022, the UN Environment Assembly adopted a historic resolution to develop an international legally binding instrument on plastic pollution. The resolution convened an Intergovernmental Negotiating Committee (INC) to develop “the instrument,” which is to be based on a comprehensive approach that addresses the full life cycle of plastic, including its production, design, and disposal. Visit www.unep.org/inc-plastic-pollution for more information.

FREE TRADE AGREEMENTS (FTAs)

If you are looking to export your product or service, consider export markets with which the United States has negotiated a Free Trade Agreement (FTA). FTAs have proven to be one of the most effective ways for U.S. exporters to access foreign markets, making it easier and cheaper for U.S. businesses. These agreements provide a competitive advantage versus products from other economies because they reduce tariffs and barriers to U.S. exports, protect U.S. interests, and enhance the rule of law in the FTA partner country. In 2023, the United States exported \$44.7 billion in plastic materials and products to our 20 FTA partners and \$1.9 billion in machinery and molds for plastics. That same year, the United States enjoyed a trade surplus of \$17.1 billion in plastic materials and products, while experiencing a trade deficit of \$253 million in machinery and molds with FTA partners. FTA trade comprises 59.5 percent of total exports for plastic materials and products and 60.6 percent for machinery and molds for plastics.

Data source: U.S. International Trade Commission
Harmonized System (HS) codes used:

- Plastic materials and products - All products in Chapter 39.
- Machinery and molds - 842010, 847740, 847790, 847759, 847780, 847720, 847730, 848079, 847710, 848071, 847751, and 841989

U.S. FTA PARTNER COUNTRIES

As of February 2024, the United States has 14 FTAs in force with 20 countries: Australia, Bahrain, Canada, Chile, Colombia, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Israel, Jordan, South Korea, Mexico, Morocco, Nicaragua, Oman, Panama, Peru, and Singapore. Information on these countries is available at www.trade.gov

FTA TARIFF TOOL

To determine if your product qualifies for preferential tariff treatment under any of these FTAs, the International Trade Administration (ITA) has developed the FTA Tariff Tool. The FTA Tariff Tool provides a searchable database for the relevant tariff/rule of origin requirements for any product (agricultural or industrial). In addition, it generates market access reports/charts across industrial sectors or product groups and creates a snapshot of current tariff and trade trends under the different U.S. FTAs. The Tool can be accessed from www.trade.gov/fta-tariff-tool-search. The website also contains an instructional video, quick start guide, and user's manual.

Argentina



Capital: Buenos Aires
Population: 46.7 million
GDP: USD \$640 billion (est. 2023)
Currency: Argentine Peso (ARS)
Language: Spanish

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Summary

Argentina is the third largest economy in Latin America and a key market for U.S. exports. The current administration, which took office in December 2023, aims to stabilize the economy which includes reducing inflation which has reached 250 percent year-over-year, resolving more than \$40 billion in outstanding commercial debt with overseas suppliers and lifting restrictions to imports. Argentina's plastics sector is an important sector of the economy, representing 1.4 percent of GDP in 2022. Local manufacturing and imports from Asia and Mercosur countries lead the market. In recent years, U.S. exports have lagged behind competitors due to strong competition from Asian and European companies that benefit from government incentives such as subsidies." U.S. exporters may find opportunities in raw materials and some equipment and machinery.

Market Entry

The Mercosur common external tariff (A.E.C.) applies to imports from countries outside the MERCOSUR area (Argentina, Brazil, Paraguay, and Uruguay) and averages 16 percent (ranging from 0 to 35 percent) for products in the plastic industry. An additional 3 percent Statistics Fee plus a 17.5 percent PAIS tax are levied on imported products and equipment.

U.S. companies exporting to Argentina typically market their products and services through Argentine agents, representatives, and distributors. The U.S. Commercial Service can help identify a potential distributor through the Gold Key or International Partner Search matchmaking services. An important component of the marketing mix is promotion. Companies are encouraged to attend or exhibit at local trade shows and visit U.S. trade shows that are attended by Argentine buyers.

Current Demand

Plastic consumption represents almost 42 kg per inhabitant in 2022. Packaging accounts for nearly 45 percent of plastics applications, followed by construction, electronics, automotive, agribusiness, household, and furniture, among others.

The local industry processed 1.42 million tons of raw materials in 2022, increasing production by 10 percent vis-à-vis 2021. Imports of raw materials amounted to 0.97 million tons, and USD \$2 billion, increasing 20 percent and 25 percent, respectively annually. The U.S. is the second largest exporter of plastic raw materials to Argentina, with 9 percent of the import market, after Brazil (32 percent).

Consumption of semi-finished and finished plastic products in 2022 amounted to 2 billion tons, 89 percent of which corresponded to local production and 15 percent to imports (USD \$1.6 billion). These import subsectors are

predominantly led by China, Brazil, and other Mercosur countries. Imports of capital goods including machinery and equipment, parts, molds, and matrixes amounted to USD \$253 million. These subsectors are predominantly led by imports from Asia, Europe, and Brazil. Within the machinery and equipment segment, U.S. exports increased 45 percent to USD \$4.3 million in 2022.

Injection is the most important plastic transforming activity in Argentina. Most of the injection molding equipment is imported. U.S. machinery tends to require higher economies of scale than its competitors. The best potential Argentine clients are those that require high productivity and that produce high-technology products for international clients or for the local high-technology market, which may be a small number of companies.

Main Competitors

As of 2022, there were approximately 2,750 (from 2,800 in 2015) manufacturing plants in Argentina, primarily concentrated in the province of Buenos Aires, employing 54,500 workers. Most firms are small and medium-sized, with only 5 percent employing more than 50 workers. International companies such as Dow, Ampacet Corp., Amcor, BASF, to name a few, are large players with manufacturing plants in this market.

Local machinery is generally positioned in a different and less demanding segment (low cost and performance). U.S. injection machinery competes with comparable products from Italy and Germany in terms of quality and price. European companies have enjoyed a longtime presence in the market and are active in offering promotion and training workshops. Brazil is Argentina's largest trading partner, with bilateral inter-company trade flows. Asian sales have grown significantly in recent years and China has emerged as market leader in equipment exports.

Market Issues and Obstacles

Since mid-December 2023, import restrictions have been removed. However, citing previous strict capital controls caused by dwindling dollar reserves and changes in the exchange rate, U.S. exporters report severe delays in receiving payments. The current administration has introduced measures to address the outstanding commercial debt including a bond option known as the BOPREAL. Payments for imports as of mid-December 2023 are staggered in intervals totaling up to 180 days.

It is important to protect your intellectual property and engage qualified local professionals and lawyers in contract negotiations.

Trade Events & Resources

Name of Event: Argenplás (19th International Plastics Expo). Held every two years.

Date and Location: June 4-7, 2024 - La Rural, Buenos Aires, Argentina

Website: <http://www.argenplas.com.ar/>

Argentina Country Commercial Guide

Australia



Capital: Canberra
Population: 26.5 million
GDP: USD 1.347 trillion (est.)
Currency: AUD
Language: English

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Summary

Entering the Australian plastic products market involves partnering with local distributors, given the rarity of direct sales to end-users. U.S. companies often appoint local stocking distributors, emphasizing the importance of local support. Australia's annual plastic products demand is around US\$ 8.5 billion, with 80 percent met through imports. Opportunities lie in packaging, construction, automotive aftermarket parts, and healthcare. Demand for extrusion blow-molding and injection-molding machinery has declined somewhat over the last 10 years and has been offset by a greater reliance on imports of finished products. Emerging opportunities exist for plastics recycling technologies and solutions.

Market Entry

It is rare for overseas suppliers to sell directly to Australian end-users. In some cases, U.S. job shops have produced plastic parts and components for Australian customers, but these customers have usually been local subsidiaries of multinational operations. The most common method of market entry is to appoint a local Australian stocking-distributor. Sales representatives or agents are virtually non-existent in Australia. Distributors interested in a product will often request national exclusivity. In some cases, Australian distributors will have networks that allow them to also market to New Zealand.

The distance from many of their trading partners and the sheer size of the Australian continent – comparable to continental United States – causes Australian firms to stress the importance of local support and service. American companies should visit Australia both to meet prospective partners and demonstrate ongoing support, as this is the common practice of their competitors.

A small number of well-established associations servicing various aspects of the plastics industry exist. These associations can offer one way for U.S. companies to locate potential representatives and distributors. Australia does not have any trade shows designed exclusively for the plastics industry. Depending on the applications offered by plastic-based solutions; suppliers and distributors will often exhibit in other industry-specific trade shows.

Most of the criteria American firms use to select distributors in markets throughout the world are also applicable to Australia, with expectations adjusted to the scale of the market. Performing due diligence is just as important in Australia as in the United States, and the Commercial Service in Australia offers resources to assist in this area.

Current Demand

Australia's total demand for plastic products is estimated at US\$ 8.5 billion annually with imports satisfying 80 percent of demand. Most companies in the plastics industry are wholesale distributors that service key channels.

Specific areas of demand for plastic products in Australia can be found in the following sectors:

- Packaging Industry. Opportunities exist for convenient and lightweight packaging solutions for items like bottles, containers, and packaging materials.
- Construction Sector. Opportunities exist for durable and cost-effective materials for pipes, fittings, insulation, and other building components.
- Automotive Industry. While Australia no longer has vehicle assembly capabilities there is a large market for automotive aftermarket parts.
- Healthcare Sector. Plastic is being used in the production of medical devices, packaging for pharmaceuticals and various healthcare products.
- Flexible-plastic product manufacturing in Australia covers packaging film, plastic bags, shrink wrap, builder's film, and agricultural films such as bale wrap. Rigid plastics manufacturing is focused on bottle and container manufacturing and pipe manufacturing. Furniture, toys, and kitchenware are primarily imported.

There are several Australian companies with extrusion blow-molding and injection-molding capabilities. There is a market for machinery and ancillary equipment that supports this subsector.

According to Australia's [Department of Climate Change, Energy, the Environment and Water](#), more than 3.4 million tons of plastic is consumed annually with 13 percent recycled. Emerging opportunities exist for plastics-recycling technologies and solutions. Australia currently has over 100 sorting facilities. Local councils use private waste-management firms to collect recyclables. Almost all recycling is undertaken by private companies.

Main Competitors

According to [S&P Global](#), in 2023 Australia imported US\$ 6.7 billion in plastics and articles of plastics under HS Chapter 39. This represented almost a 13 percent drop over the previous year. China was the main supplier, holding a 40 percent import-market share, followed by the U.S (7.5 percent), Malaysia (4.5 percent) and Germany (4 percent). In 2023, Australia exported US\$ 753 million under HS 39. Local production represents 20 percent of total market demand.

[S&P Global's trade data](#) also shows that in 2023 Australia imported US\$ 171 million in machinery and equipment used for working rubber or plastics. China was the dominant supplier with an import-market share of 27 percent followed by Germany (16 percent), Austria (11 percent), Italy (11 percent) and the United States (7 percent). Injection- molding machines represented the largest subsector, with China, Germany, and Japan being the main suppliers. Blow-molding machines represented the second largest subsector, with Germany, China, and the United States being the main suppliers.

Market Issues and Obstacles

In 2018, the Australian Government developed a [National Waste Policy](#) supported by an Action Plan and targets. Australia's resource recovery rate is currently at 60 percent. The Action Plan target is for 80 percent resource recovery by 2030. Other important targets and initiatives that are expected to act as market drivers for waste and resource recovery include:

- Effective July 2022, the export of waste plastics requires an export license and is limited to waste plastics that have been sorted and further processed or processed into an engineered fuel. Secondary reprocessing that was primarily undertaken in Asia now needs to be urgently relocated to Australia.
- A phase-out of problematic and unnecessary plastics by 2025. Australia produces 2.5 million tons of plastic waste each year. Only 13 percent of plastic is recovered and 84 percent is sent to landfill.

American companies may find that Australian and third-country competitors in Australia have some long-established brands with strong reputations and well-established supplier relationships.

Australia has ready access to Asian and other low-cost producers making the market very price sensitive. American firms must therefore demonstrate sufficient added value to overcome the costs of getting the product to market. Freight, transportation, and higher distributor margins can make it challenging for suppliers to be price competitive.

[Australia Country Commercial Guide](#)

Brazil



Capital: Brasilia
Population: 218.7 million (2023 est.)
GDP: USD 2.2 trillion (2023 est.)
Currency: Brazilian Real (BRL)
Language: Portuguese

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Summary

With the largest consumer base and GDP in South America, Brazil is an excellent market for experienced U.S. exporters seeking to tap into its diversified economy. The United States is Brazil's second largest trading partner due to a robust commercial relationship and a shared commitment to mutual prosperity, but complex domestic regulatory and tax frameworks often present challenges to U.S. exporters. Possessing a thorough understanding of local market trends and regulations is essential for achieving export success in Brazil.

According to the IMF, as of April 2024, Brazil ranked as the second-largest economy in the Western Hemisphere and the ninth largest globally. The country is also home to the Hemisphere's second largest population, behind the U.S. Brazil's geographic territory is larger than that of the contiguous United States, and business environment vary by region. A large portion of the population and economic activity is concentrated in Southeastern Brazil, which includes the states of Sao Paulo, Rio de Janeiro, and Minas Gerais. These states have traditionally served as the engines of economic growth through competitive industries such as manufacturing, agribusiness, mining, and energy.

In 2023, exports of U.S. goods represented US\$44.8 billion, down from US\$53.8 billion in 2022, according to the U.S. Census Bureau. Important Brazilian industries for U.S. exporters include oil and gas, agricultural equipment, aerospace, healthcare, and manufacturing.

U.S. exporters across a wide array of industries continue to achieve success because of Brazil's diversified domestic market and demand for international products, as well as a favorable view of technology and brands coming from the United States. In addition to being an attractive destination for U.S. exports, in 2022 Brazil was also the largest South American source of Foreign Direct Investment (FDI) into the United States, according to SelectUSA, the U.S. Government's investment promotion program.

Market Entry

According to a study by the Brazilian Association of the Plastics Industry (ABIPLAST), in 2021, Brazil represented about 2% of global plastics production. The main consumer sectors, based on the sales of processed plastics by value, included Construction (25.4%), Foods (21.9%), Wholesale and Retail Goods (7.8%), Automotive (6.2%), and Beverages (6%). The primary types of resins consumed in Brazil were PP (20.3%), LLDPE (16.1%), and HDPE (13.8%). Recycled plastics constituted 13.2% of the total, with PET comprising nearly 40% of that amount. The predominant manufacturing processes for plastics were Extrusion (60%), Injection (25%), and Thermoforming (7%).

In 2022, the revenues of the plastics processing sector reached BRL 117.5 billion (approximately USD 23.5 billion), which is a decrease in value when compared to 2021. Brazil boasts approximately 11,400 plastic processors spread

across the country producing 6.7 million tons/year. Around 80% of these companies were categorized as micro and small, with only 2.7% classified as large. The main regions for plastics manufacturing were the Southeast and the South, with Sao Paulo housing around 42% of the companies, followed by Rio Grande do Sul with 10.7%, and Santa Catarina with 9.4%. The sector employed approximately 350,000 workers.

Regarding plastic waste and recycling, Brazil produced an estimated 4.3 million tons of plastic waste, with about 28% being recycled. By the end of 2021, there were 1,320 recycling companies, also primarily located in the Southeast (42.6%) and the South (31.3%) regions. The Southeast region led in recycled post-consumer plastic production, accounting for about half of the total, followed by the South with 27% and the Northeast with 13%.

Key consumer markets for recycled plastics include personal hygiene, cosmetics, cleaning products, household goods, beverages, civil construction, and agribusiness. Over the last decade, the production of processed plastics in Brazil by volume has decreased by approximately 22%, from 8.6 million tons in 2012 to 6.7 million tons in 2022. Apparent consumption of processed plastics in Brazil was of 7.1 million tons, which was the lowest consumption for the past 10 years.

Current Demand

ABIPLAST's study also indicates that Brazil imported USD 3.3 billion of thermoplastic resins in 2022, while the country exported USD 1.8 billion. Brazil also imported USD 3.8 billion of processed plastics (737 thousand tons), decreasing slightly in comparison to 2021. Exports have amounted to USD 1.4 billion (317 thousand tons), which was about 2% more than 2021.

For decades, Brazil has consistently experienced a trade deficit in the plastics sector, with imports significantly outweighing exports. The United States stands as the second-largest exporter of processed plastics to Brazil, contributing to 12.5% of the total value and 4.7% of the total volume. China holds the leading position as the largest exporter, controlling a 32.9% market share in value and over 50% in volume. Following China, India, Germany, and South Korea also play significant roles in the import market.

Market Issues and Obstacles

Doing business in Brazil requires in-depth knowledge of the local environment, including the high direct and indirect costs of doing business, commonly referred to in Portuguese as the "Custo Brasil" or "Brazil Cost." Brazil has been working to enact reforms that could improve the business climate. Recent reforms include a 2021 "Doing Business" law, that seeks to simplify the process to open a business, facilitate foreign trade, and expand the powers of minority shareholders in private companies. In June 2023 the country enacted new transfer pricing regulations that will reduce the likelihood of double taxation on multinational firms repatriating profits. Additionally, the Brazilian Congress passed a tax reform in late 2023 that would greatly simplify the Brazilian tax structure and align it with international standards. While these new laws move Brazil in a positive direction, further reform is needed. Companies seeking to enter the Brazilian market should ideally identify local partners. Consulting with customs experts to help navigate Brazil's complex customs systems is recommended.

Trade Events & Resources

Name of Event: Plastico Brasil. Biennial.

Date and Location: March 24-28, 2025 – Sao Paulo Expo, Sao Paulo

Website: <https://www.plasticobrasil.com.br/en/home.html>Name of Event: Embala Nordeste (Packaging)

Date and Location: August 6-7, 2024 – Centro de Eventos do Ceara, Fortaleza

Website: <https://embalane.com.br/>Name of Event: Interplast (Plastic Technology Integration)

Date and Location: August 13-16, 2024 – Expoville, Joinville

Website: https://www.interplast.com.br/en_us/home-eng/

Brazil Country Commercial Guide

China



Capital: Beijing
Population: 1.41 billion (2023)
GDP: USD 17.70 trillion (2023)
Currency: Renminbi (RMB) or Yuan
Language: Chinese

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Summary

China is the world's largest plastics consumer and producer. With annual output of plastic products increasing from over 10.35 million tons in the year 2000 to 77.17 million tons in 2016, China's plastics processing industry averaged double-digit growth annually in the first sixteen years of the 21st century. This growth concurrently increased demand for plastic materials, plastic processing machinery, measurement and quality analytical instruments, and plastics additives. However, China's plastics processing industry is experiencing slower growth and fluctuation in recent years due to geopolitical impact, low macroeconomic growth, and the COVID-19 pandemic. In 2023, China reported production of 74.88 million tons of plastics products, a decrease of 3.6% from 77.71 million tons in 2022. This is the second year in a row that production has declined. Given the huge size of its plastics industry, China is still one of the most important plastics markets in the world despite the recent downturn.

Plastics Processing:

In 2023, the revenue of plastic products from "enterprises above the designated size" in China was approximately USD 295 billion, a year-on-year decrease of 1.7%. Plastic parts and other plastic products generated the largest revenue, amounting to approximately USD 104.92 billion, about 35.5% of total industry revenue, although it showed a 2.2% decrease. The synthetic turf sector had the highest growth rate despite being the lowest revenue among all plastic product categories, with income of approximately USD 1.28 billion, an increase of 11.8%.

Note: "enterprise above designated size" is a statistic term used by the Chinese government since 1996, the current threshold is that an enterprise needs to generate revenue from principal business at and above RMB 20 million/USD 2.82 million.

Product Category	Increase (%)	Proportion of Revenue (%)
Plastic parts and other plastic product	-2.2	35.5
Plastic film	1.1	17.9
Plastic sheet and tube profile	-1.4	15.8
Daily plastic product	-2.9	9.0
Plastic packaging box and container	0.2	7.7
Plastic wire, rope, and its braiding goods	-3.5	6.1
Polyfoam	1.5	3.9
Synthetic leather	-1.0	3.7

Synthetic turf	11.8	0.4
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Source: *China Plastics Processing Industry Association*

China's plastics production is concentrated in Eastern and Southern China, with five provinces accounting for more than 55% of China's plastics output (Guangdong at 19.4%, Zhejiang 17.3%, Jiangsu 7.7%, Fujian 6.1%, and Anhui 4.7%). Guangdong and Zhejiang are also the largest producers of plastic film, polyfoam, and daily plastic products in China.

The statistics from China's customs show that in 2023, China imported a total of approximately USD 61.97 billion in plastics and plastic products, a year-on-year decrease of 17.5%. The U.S. was China's third-largest supplier behind South Korea and Japan, with imports valued at approximately USD 8.18 billion.

Plastics Machinery

China's plastics machinery enterprises are mostly concentrated in the Yangtze River Delta and Pearl River Delta areas, with 38 of the top 46 Chinese plastics machinery manufacturers in three major provinces (Zhejiang, Jiangsu, and Guangdong). These three provinces are also the largest exporters of plastics machinery in China. In 2023, China manufactured more than 293,000 sets of plastics processing machines. The revenue of plastics machinery enterprises above the designated size from January to October was approximately USD 10.49 billion, according to China Plastics Machinery Association.

China can produce all three primary types of equipment used in the plastics processing industry: injection molding machines, extruders, and plastic blow molding machines. These three types of equipment account for more than 80% of total output value of China's plastics machinery industry, with demand for injection molding machinery being the largest.

Although plastics machinery made in China accounts for over 70% of the total domestic plastic machinery market, China still relies on foreign supply for most high-end plastic machinery. In 2023, China imported USD 3.7 billion of plastics machinery, increasing the amount by 16% compared with the previous year. Injection molding machines and extruders were the main types of imported plastic machinery, with total 4,682 sets and 1,085 sets, amounting to USD 40.48 million and USD 50.34 million respectively. China's top three foreign suppliers of plastic machinery were Japan, Germany, and Italy. The U.S. was ranked China's fourth-largest foreign supplier of plastics machinery in 2023.

Plastics Materials

In 2023, China produced 119.01 million tons of plastics in primary form, an increase of 6.3% from previous year. Zhejiang, Shandong, and Jiangsu Provinces were the top three sources. Five major plastic materials, Polyethylene (PE), Polypropylene (PP), Polyvinyl Chloride (PVC), Polystyrene (PS), and Acrylonitrile Butadiene Styrene (ABS), accounted for more than 70% of China's total output, with production of PE being the largest.

During this same period, China imported 29.60 million tons of plastics in primary form in 2023, valued at USD 45.27 billion. The total import quantity and dollar amount decreased by 3.2% and 19.4% respectively compared with the previous year. PE accounted for over 13.40 million tons of total imports. U.S. exported approximately USD 2.85 billion of PE to China, as one of China's major foreign suppliers of this item.

Sources: *China Plastics Processing Industry Association*
China Plastics Machinery Industry Association
China Synthetic Resin Supply and Sale Association
China Customs

Market Entry

Before deciding to enter the Chinese market, companies should consider their own resources, previous export or business experience abroad, and long-term business strategy. Successful market entry strategies typically

demonstrate regionally targeted efforts, specific product positioning, well-qualified partners and a game plan for intellectual property protection.

Common distribution channels of China's plastics market are direct purchase; B2B marketplaces; and/or marketing via wholesalers, distributors, or agents. Product quality, prompt after-sale service, supplier reliability, and price especially, are important buying factors. Representation in China by a Chinese agent or distributor who can provide essential local knowledge and contacts to help break down institutional, language, and cultural barriers will be critical for success.

Due to the huge and complex market in China, one start-up partner may not be sufficient. Multiple partners, each focused on different market segments and/or different geographical areas, may be needed to succeed. The megacities of China - Beijing, Shanghai, Guangzhou, and Shenzhen - remain common points of market entry. Tier 2, 3, and even 4 cities also offer many competitive advantages for businesses.

Intellectual Property (IP) rights holders should understand how to protect their IP under Chinese law before entering the China market. They should conduct thorough due diligence on potential partners or buyers before entering into any transaction.

It is essential that companies actively seek to understand how their product or service is regulated and by which agencies. All companies, IP rights holders and otherwise, should consult closely with lawyers who have extensive experience with the China market, including lawyers based in foreign countries and China.

Current Demand

Although China continues to expand its production capacity of plastic materials in recent years, it still needs to import large number of plastics materials to meet its huge domestic demand, like polyolefin elastomers (POE), PE, polyoxymethylene (POM), and polycarbonate (PC) etc. Some high-end and specialty materials also rely on imports, such as metallocene polyethylene (mPE), medical grade polyether ether ketone (PEEK), high-end polyimide (PI), and polysulfone (PSF) etc.

Similarly, China depends on imports for most high precision injection molding machine, high-end electric injection molding machine, high-end pelletizer, large scale multi-layer blow molding machine, and high-performance stretch film machine etc.

Additionally, Chinese companies are constantly trying to improve their products, often turning to foreign companies for innovative technology and products such as energy-saving production solutions, new and lightweight materials, bio-based polymers, plastics-recycling technology/equipment, specialty engineering plastics, and high-performance manufacturing equipment, etc.

Main Competitors

Domestic Competitors

In China, there are more than 210,00 enterprises above the designated size producing plastics products and 681 enterprises above the designated size manufacturing plastics machinery by the end of 2023. There are also thousands of small and medium-size enterprises in the plastic industry not included in the statistics because of their revenue generation. Nonetheless, despite dominating only low and middle level product markets, local companies have grown quickly and acquired sophisticated technology through development over the years.

International Competitors

China's plastics market is full of international brands and products. In 2023, its key suppliers of plastic products and materials are South Korean, Japan, the United States, the E.U., and Taiwan.

Further, foreign companies like BASF, Bayer, SABIC, LG Chem, Formosa Plastics, DSM, Dows, TORAY, and Mitsui Chemicals all have wholly owned or joint ventures (JV) factories in China. Their products are widely used in the automobile, aviation, home appliance, electronics, building, packaging, and healthcare sectors.

China's major suppliers of plastic machinery are Japan, Germany, Italy, United State, Austria, South Korean, French, and Taiwan. The imports from Japan and Germany accounted for 75% of total import value in 2023.

Market Issues and Obstacles

China is a challenging place to do business. Day-to-day business operations can present a variety of obstacles, including opaque and inconsistent legal and regulatory requirements, lack of effective protection of intellectual property rights, and preferred treatment for local competitors. Despite significant Chinese government efforts to streamline bureaucracy and reduce red tape, foreign companies continue to complain about administrative procedures, especially with respect to registration and licensing.

China continues to develop industrial policies that seek to limit market access for imported goods, foreign manufacturers, and foreign services providers, while offering substantial government guidance, resources, and regulatory support to Chinese industries.

In recent years foreign companies have faced challenges in the business environment including many conflicting measures, lack of grace periods, and unclear policy implementation that makes compliance strategies costly and cumbersome.

Rising tensions in U.S.-China relations have become a greater concern for U.S. companies, reportedly making it more difficult for companies to conduct business, both due to specific measures taken by the Chinese government that increase the compliance burden for companies and increased operational uncertainty that arises from bilateral tensions.

Trade Events & Resources

Name of Event: ChinaPlas 2025

Date: 2025

Location: Shanghai, China

Website: www.chinaplasonline.com

Description: ChinaPlas is the second largest exhibition in the world for the plastics industry. It is held alternately in Guangzhou and Shanghai. In 2023, the show was held in Guangzhou, attracting over 248,222 visitors and 3,905 exhibitors from 38 countries and regions. ChinaPlas has been organized by the Hong Kong-based Adsale Exhibition Services Ltd. for over 30 years.

Major Chinese Plastics Industry Associations

China Plastics Processing Industry Association (<http://www.cppia.com.cn/>) China Plastics Machinery Industry Association (<http://cpmia.org.cn/>)

China Synthetic Resin Supply and Sale Association (<http://www.csra.org.cn/>)

China Country Commercial Guide

Colombia



Capital: Bogotá
Population: 51,874,024 (2022)
GDP: USD 343.62 billion (2022)
Currency: Colombian Pesos
Language: Spanish

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Summary

Colombia has the fourth largest economy in Latin America, after Brazil, Mexico, and Argentina, and the third largest population with approximately 51.5 million inhabitants. The country boasts five major commercial hubs: Bogotá, Medellín, Cali, Barranquilla, and Cartagena. In contrast to many Latin American countries which have only one or two major cities, Colombia offers U.S. exporters access to multiple commercial centers, each of which has its own American Chamber of Commerce. Though these and many other secondary cities present unique market opportunities, their proximity allows U.S. firms to efficiently cover the whole country with a single partner (agent, distributor, or representative).

Colombia is a country of micro and small businesses. According to the Ministry of Labor, these businesses represent more than 90 percent of the national productive sector and 80 percent of employment. Colombia's National Department of Statistics reported unemployment averaged 11.2 percent in 2022. The country has a relatively low English proficiency level with most day-to-day business being conducted in Spanish. The Colombian economy grew by 7.5 percent in 2022, the highest growth in the hemisphere among OECD countries and the second-highest growth rate within the OECD. Colombia also had its highest annual inflation rate in 20 years at 13.1 percent.

An OECD economic survey of Colombia was published in February 2022. The report states Colombia's economy has recovered well from the COVID-19 pandemic, but that the labor market remains weak. Colombia has one of the highest levels of poverty, income inequality, and labor market informality in Latin America. At the end of 2021, 47 percent of the urban workforce was working in the informal economy, with the national average hovering around 60 percent.

Market Entry

Best practices for market entry strategies encompass the following:

- Secure an agent, representative, or distributor in Colombia, which requires a contract that meets the provisions of the Colombian Commercial Code. Focus on formality, personal relationships, and trust when negotiating agreements and contracts,
- Conduct thorough due diligence to know your partner and understand the market,
- Communicate with the U.S. Commercial Service and the Economic Section of the U.S. Embassy in Bogotá regarding specific concerns, such as regulatory issues,
- Offer excellent after-sales service arrangements and maintain the sales relationship; warranties on imports are critical for supporting after-sales service in Colombia,
- Provide high-quality products and/or services and offer affordable financing and competitive pricing,

- Support your local partner's marketing efforts with advertising campaigns or by participating in trade shows,
- Visit the market often; take advantage of Colombia's geographic proximity to the United States and the abundance of flights connecting Colombia to all regions of North America,
- Translate sales collateral and service manuals into Spanish, as this may be required in certain sectors like medical products; hire a U.S.-based staff with Spanish language skills,
- Attend functions of local business promotion organizations such as the Council of American Enterprises (CEA) and the five American Chambers of Commerce (AmCham) located in the country.

Current Demand

The Colombian plastic market reached a value of USD 4.84 billion in 2023 and is expected to grow at a CAGR of 3.4% between 2024 and 2032 to reach USD 6.53 billion.

The major plastic products in the market include polyethylene (PE), polypropylene (PP), polyurethane (PU), polyvinyl chloride (PVC), polyethylene terephthalate (PET), polystyrene (PS), acrylonitrile butadiene styrene (ABS), polybutylene terephthalate (PBT), polycarbonate (PC), and bioplastics.

The polyurethane (PU) segment accounts for a growing share, driven by increasing demand from the automotive industry for components like foam insulation panels and suspension insulators.

Plastic resins consumption within Colombia was valued at USD 3.7 billion, with exports valued at USD 2.3 billion, exhibiting an annual growth rate of 10.1%, with 8% growth in the last five years.

Colombia's imports of plastics have been steadily increasing in recent years. In 2022, Colombia's imports of plastics reached US\$3.88 billion, according to the United Nations COMTRADE database. This figure represents a significant growth compared to previous years, reflecting the country's growing demand for plastic products. While Colombia has a domestic plastic manufacturing industry, it still relies heavily on imports to meet its domestic consumption needs.

The United States and China are Colombia's main import partners in the plastics sector. Other partners include Mexico, Brazil, and Germany.

Main Competitors

- The Colombian plastics market is dominated by major international players along with some domestic companies like ESENTTIA S.A. and Enka de Colombia SA: BASF SE
 - Evonik Industries AG
 - Formosa Plastics Corporation
 - Dow Chemical Company
 - LyondellBasell Industries Holdings B.V.
 - ESENTTIA S.A., Colombian company
 - Enka de Colombia SA, Colombian company
- Additionally, some other notable companies mentioned are:
- Polipropileno del Caribe S.A. (was the leading plastic-producing company in primary forms in 2018)
 - AC&C S.A.
 - ACEBRI
 - APSA GROUP AUTOMOTIVE PLASTICS S.A

Market Issues and Obstacles

The Colombian government has implemented several policies to promote the sustainable development of the plastic industry, including the [National Strategy for the Integral Management of Plastic Bags](#) and the [Extended Producer Responsibility Law](#). (See Article 17, Chapter 5). The plastic industry is committed to reducing its environmental impact

and is working to develop more sustainable products and processes. Industry is also working to increase public awareness about the importance of recycling and proper waste disposal.

Increasing public awareness about the environmental impact of plastic waste could lead to changes in consumer behavior, impacting the industry's long-term prospects. The industry is focusing on promoting sustainable practices, including the use of recycled materials, eco-friendly packaging, and energy efficiency measures. The transition towards a circular economy model is gaining momentum, with initiatives aimed at reducing plastic waste and promoting reuse and recycling. Technological advancements drive innovation in the plastic industry, with new applications emerging in areas such as 3D printing, food packaging, and healthcare.

Trade Events

ColombiaPlast: ColombiaPlast is the most important trade fair focused on the plastics, rubber, petrochemical and packaging industries in the Andean region, Central America and the Caribbean

Date: September 23-27, 2024

Where: Bogota International Business and Exhibitions Center - Corferias

Website: <https://colombiaplast.org/en>

Colombia Country Commercial Guide

Dominican Republic



Capital: Santo Domingo
Population: 11.19 million
GDP: USD 113 billion (est.)
Currency: Dominican Pesos
Language: Spanish

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The plastics industry of the Dominican Republic represents one of the largest industrial sectors in the Caribbean. According to a [study published in 2022](#), by the Plastic Training and Research Center (CCIP), there are approximately 472 registered industries dedicated to the manufacturing of plastics in the local market and they generate more than 40,000 direct and indirect jobs.

These firms are small to medium-sized companies, except for a few large manufacturing plants, such as Grupo Corvi S.A.S, Industrias Mercaplas and Grupo Aldoca that manufacture tubing, fittings, and pipes for building/construction, and agriculture industries.

Also, Plasticos Duralon, SigmaPlast Dominicana, Termopac Industrial, Polyplas, and Plastifar manufacture housewares, bottles, caps, bags, disposable dishes, spoons, forks, and packaging products for the food processing industry. Some of these companies are currently exporting to the Caribbean and Central America.

The plastics-processing industry in the Dominican Republic is mainly composed of four different categories: injection molding, comprised of manufacturers of houseware and plastic containers and parts; extrusion – this group manufactures tubing, fittings and pipes; blow-molding, comprised of 80 percent of the plastic-processor companies engaged in the manufacturing of food packaging, bottles, caps, disposable dishes, spoons, forks, and cups; and thermoforming, which manufacture foam products.

Recently, initiatives from the private sector have taken into consideration the concerns of environmental groups and have now started to implement environment-friendly technologies including bio-degradable components to their production processes.

Market Entry

Dominican Republic is one of the countries in the Latin America and Caribbean region that has a high proportion of plastics imports which makes it an attractive market for U.S exporters in the plastic industry.

According to data provided by the Association of Industries of the Dominican Republic (AIRD) in the [Economic Profile of the Plastic Industry in the D.R.](#), in 2021, the main imported items were ethylene polymers in primary forms, polyacetals, polyethers and epoxy resins. On the other hand, the main imported final products, which covered 72.7% of imports, were from other plastic manufacturers and articles for transport or packaging. Imported plastic products come mainly from the United States (56% of imports), followed by China (10.5%) and Mexico (6.0%).

Current Demand

The Dominican Republic is a net importer of plastic products, translating into a high demand for final products; most of these imports are carried out by the Free Trade Zones (72.7% of the total imported from the United States, China, and Mexico), according to data detailed in the [Economic Profile of the Plastic Industry in the D.R.](#) In addition, as there is no domestic production of plastic-production machinery in the Dominican Republic, the demand is entirely supplied by imports.

Main Competitors

According to a report by the [OECD World](#), the Dominican Republic's imports of plastics, including machinery, equipment, and articles, come primarily from the United States, China, Mexico, Colombia, Brazil, Spain, and El Salvador.

Market Issues and Obstacles

Importing plastic-production machinery into the Dominican Republic generally does not face specific regulations or incentives beyond standard import procedures. The Dominican Republic allows importing machinery that meets commonly used U.S. safety and technical standards. Additionally, there are no special labeling requirements for plastic-production machinery.

While the import tariff for most equipment in this sector is only 3% of the CIF value, the total tax burden can greatly exceed this amount. This is because other taxes apply, such as the 18% value-added tax (ITBIS) and the 13% exchange surcharge tax, as outlined in the [Dominican Republic's customs tariff book's 7th amendment](#).

Dominican Republic Country Commercial Guide

Ecuador



Capital: Quito
 Population: 18 Million
 GDP: USD118.8 Billion (2023)
 Currency: U.S. Dollar
 Language: Spanish

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Summary

Ecuador is a South American country of 18 million people and is among the top ten largest economies in Latin America. The country's three largest commercial hubs are Guayaquil, Quito, and Cuenca. The United States is Ecuador's top trading partner – accounting for 24 percent of its exports and 27 percent of its imports (2023). The United States does not have a free trade agreement with Ecuador. In 1990, the United States and Ecuador signed the Trade and Investment Council Agreement (TIC). The two governments updated the TIC in December 2020 by signing the Protocol on Trade Rules and Transparency. The TIC annexes include Trade Facilitation and Customs Administration, Good Regulatory Practices, Anti-Corruption, and SMEs. Ecuador adopted the U.S. dollar as its currency in 2000. There is no foreign exchange risk in selling or investing in Ecuador, allowing for investment with minimal restrictions and repatriation of capital with a five percent capital exit tax. President Daniel Noboa, in office until May 2025, aims to bolster bilateral relations with the U.S. and foster collaboration in security, energy, climate change, trade, and strengthening of institutions.

Lacking domestic production, Ecuador relies entirely on imports to meet its demand for plastic materials and resins, making it a significant market for these products. Ecuador's plastics industry features approximately 600 market players (importers, wholesalers, and retailers). It generates \$2,1 billion in revenues and represents two percent of GDP. The industry generates approximately 19,000 direct jobs, and more than 120,000 indirect jobs. Per capita annual plastics consumption is 30/40 kg, compared to the Latin American average of 40/50 kg and the European average of 150/200 kg.

Table 1 – Imports of Plastics and articles thereof

US Hs Code - 3901 : Polymers of ethylene, in primary forms	\$ 219,859
US Hs Code - 3902 : Polymers of propylene or of other olefins, in primary forms	\$ 114,988
US Hs Code - 3903 : Polymers of styrene, in primary forms	\$ 29,786
US Hs Code - 3904 : Polymers of vinyl chloride (PVC) or of other halogenated olefins, in primary forms	\$ 65,506
US Hs Code - 3905 : Polymers of vinyl acetate or of other vinyl esters, in primary forms; other vinyl polymers in primary form	\$ 15,460
US Hs Code - 3906 : Acrylic polymers in primary forms	\$ 27,762
US Hs Code - 3907 : Polyacetals and epoxide resins, in primary forms; polycarbonates, alkyd resins, etc., in primary forms	\$ 119,845
US Hs Code - 3908 : Polyamides in primary forms	\$ 4,608
US Hs Code - 3909 : Amino-resins, phenolic resins and polyurethanes, in primary forms	\$ 16,703
US Hs Code - 3910 : Silicones in primary forms	\$ 9,735
US Hs Code - 3911 : Petroleum resins, polystyrenes, polysulphides, polysulphones and other products, in primary forms	\$ 3,518
US Hs Code - 3912 : Cellulose and its chemical derivatives, in primary forms	\$ 1,927

US Hs Code - 3913 : Natural polymers and modified natural polymers, in primary forms	\$ 13,101
US Hs Code - 3914 : Ion-exchangers based on polymers of headings Nos3901 to 3913, in primary forms	\$ 1,409
US Hs Code - 3915 : Waste, parings and scrap, of plastics	\$ 2
US Hs Code - 3916 : Monofilament, diameter>1mm, rods, sticks & profile shapes, of plastics	\$ 8,596
US Hs Code - 3917 : Tubes, pipes and hoses, and fittings therefor (for example, joints, elbows, flanges), of plastics	\$ 39,114
US Hs Code - 3918 : Floor coverings of plastics, in rolls or in the form of tiles; wall or ceiling coverings of plastics	\$ 16,006
US Hs Code - 3919 : Self-adhesive plates, sheets, film, foil, tape, strip and other flat shapes, of plastics	\$ 50,650
US Hs Code - 3920 : Other plates, sheets, film, etc of plastics, non-cellular and not reinforced, laminated, supported with other materials	\$ 95,680
US Hs Code - 3921 : Other plates, sheets, film, foil and strip, of plastics	\$ 30,719
US Hs Code - 3922 : Baths, shower-baths, wash-basins, bidets, lavatory pans, seats & covers, flushing cisterns & similar sanitary ware, of plastics	\$ 4,579
US Hs Code - 3923 : Articles for the conveyance or packing of goods, of plastics; stoppers, lids, caps and other closures, of plastics	\$ 75,973
US Hs Code - 3924 : Tableware, kitchenware, other household articles and toilet articles, of plastics	\$ 34,422
US Hs Code - 3925 : Builders' ware of plastics, not elsewhere specified or included	\$ 20,596
US Hs Code - 3926 : Other articles of plastics and articles of other materials of headings Nos3901 to 3914	\$ 70,574
	\$ 1,091,120

Source: Central Bank of Ecuador

Table 2 – Top 5 Suppliers of Plastics to Ecuador in 2023

#	COUNTRY OF ORIGIN	IMPORTS \$ FOB (millions)
1	CHINA	\$ 305,863
2	UNITED STATES	\$ 240,079
3	COLOMBIA	\$ 143,151
4	BRAZIL	\$ 78,914
5	PERU	\$ 62,055

Source: Central Bank of Ecuador

Market Entry

Best practices for market entry strategies encompass the following:

- Secure an agent, representative, or distributor in Ecuador. Sales to the Ecuadorian government require the company to have a local representative in Ecuador. Given the small territory, one distributor often suffices. Focus on formality, personal relationships, and trust when negotiating agreements and contracts.
- Select a law firm early on to have legal support available in different areas like taxes, political/economic analysis, contracts, sanitary registrations, and legal reforms.
- Conduct thorough due diligence to know your partner and understand the market.
- Recognize that business planning can be a challenge because of frequent changes in Ecuador's tax, commercial, investment, and economic policies and regulations.

Current Demand

Despite the ongoing demand for plastic as a raw material, the sector is shifting towards sustainability, driven by Ecuador's Circular Economy Law and the challenges of plastic waste management. Importers are looking for innovative solutions in machinery, molding, supplies, and plastics waste management. In terms of plastics processing, the sector focuses on extrusion, blow molding, thermoforming, injection molding, and roto molding processes.

Trade Events & Resources

Name of Event: IPLAS, Feria Internacional de la Industria Plástica del Ecuador

Date: September 12-15, 2024

Location: Guayaquil

Website: [Iplas - Aseplas: Asociación Ecuatoriana de Plásticos](#)

[Ecuador Country Commercial Guide](#)

Egypt



Capital: Cairo
Population: 107,770,524 (2022 est.)
GDP: USD 1,223,040 (2022 est.)
Currency: Egyptian Pound (EGP)
Language: Arabic

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Summary

The plastics industry is a well-established sector in the Egyptian market. It has many key manufacturers that feed into many wide-ranging sectors, including current production in food-packaging, medical-packaging, and industrial-packaging. As of 2023, total investment in the plastics industry was \$8.7 billion. The total number of factories in 2023 exceeds 9,000 in addition to the existing petrochemicals plants that provides the prime raw materials for PE, PP, and PVC. The market has recently also witnessed a wide presence of additives manufacturers. However, none of these petrochemicals suppliers meet the local demand for raw materials and chemicals used in plastic processing. It is estimated that at least \$160 million in investment is added to the industry on an annual basis. The Egyptian government plans to reduce plastic waste and is encouraging investment in recycling.

Market Entry

The plastics industry in Egypt is well-supported by the government, as it plays an important role in employment. The Egyptian Plastic Exporters and Manufacturers Association are two private-sector associations that play a key role in advocating on behalf of the manufacturers.. U.S. exporters are encouraged to assign a distributor/agent to represent them in the local market to facilitate doing business and dealing with the Government of Egypt.

Current Demand

The plastics and petrochemical industry have significant potential for expansion, as reflected in the rapid growth of investments. During the last decade, Egypt witnessed an enormous growth in its plastics and petrochemical sector in terms of advancing the technology used by manufacturers. Many key players in Egypt export their finished products to the African markets (45%), the European market (37%) and other markets (18%). These exports are key to the local economy and demonstrate that Egypt is a key player not only in the region but also in the international market. Egyptian manufacturers invested heavily in obtaining high-technology machinery from Europe to be mainly used in the different production lines.

Main Competitors

Machinery in the Egyptian market comes predominately from China (approximately 37%), the European Union (35%), local production (20%), and other markets (8%).

Market Issues and Obstacles

The Egyptian Government has floated the Egyptian pound, which lead to a significant increase in the cost of imported goods. In addition, U.S. products entering Egypt are subject to customs duties while almost all industrial goods

coming from the European Union enjoy duty-free treatment due to the Association Agreement between Egypt and the European Union. On an annual basis there is a gap of around 750k-1MM tons of plastic products to meet the local market demands which depends on importing the needed demands from international markets mainly the gulf area and the far east besides, and other markets.

Trade Events & Resources

Name of Event: Egyplastex

Date: January 2025

Location: Egypt International Conference Center

Description: EGYPLASTEX is considered the largest prime-plastic show in the region (African

Continent and the MENA region) hosting 650+ exhibitors and receiving 25K+ Visitors plastic sectors are represented in the show.

Egypt Country Commercial Guide

El Salvador



Capital: San Salvador
Population: 6.3 million
GDP: USD 32.4 billion (2022 est.)
Currency: U.S. Dollar
Language: Spanish

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Summary

The plastic industry is one of the major sectors in El Salvador. As of June 2023, this sector had imported US\$365.5 million, exported US\$223.3 million, and employed 8,450 people. Plastics are the third most exported product from El Salvador, with textile products like shirts and sweaters being the most exported. The Central American region is the primary destination for these products.

According to the Salvadoran Association of Industrialists, the plastics sector has a 4.1% share of industrial production, and it is divided mostly into two segments: packaging and household items. Packaging products include molds of beverage containers, plastic bags, and footwear, and household products include items like tableware. Other products manufactured in El Salvador are hygiene and toiletry articles. The most exported items are molds of beverage containers (26.4%), followed by plastic packaging (24.2%) and plastic bags (12.3%).

The top imported products in the plastic industry during 2022 were polyacetals, other polyesters, and epoxy resin in primary forms, which accounted for US\$262.7 million or 22.4% of the total imports. Plastic packaging came in second place with US\$162.2 million, representing 13.8% of the total imports. Ethylene polymers had a 12.7% share of the total imports.

The United States is the second largest exporter of plastics to El Salvador, with China being the largest and Mexico being the third largest. Other suppliers are Guatemala, Costa Rica, and Taiwan.

For more information on statistics, visit the Central Bank's [website](#).

Market Entry

El Salvador has signed several trade agreements, including the Dominican Republic-Central America-United States Free Trade Agreement (DR-CAFTA). This agreement allows for most products and services made in the United States to enter the country without any import duties. The country's economy is based on the U.S. dollar, which eliminates foreign exchange risk and reduces transaction and financial costs. In 2021, El Salvador made Bitcoin a second legal tender. However, the U.S. dollar remains the official currency in the country.

Due to its strategic location, the country has easier access to Central American markets and the United States, which minimizes logistical issues and travel costs. El Salvador has two main seaports and one international airport. Most cargo arrives by sea and then is transported by land to the whole territory or other neighboring countries. In addition, security improvements have motivated more local and foreign investment.

The plastics sector in El Salvador is well-established. Some of the top significant plastic manufacturers are: Ternova Group, Sigma Q, Carvajal Empaques El Salvador S.A. de C.V., Grupo Ravicorp, Oben El Salvador, IPSA Latinoamérica, Plastiglas de El Salvador, S.A. de C.V., Celpac, S.A. de C.V., Tubos y Perfiles Plásticos, S.A. de C.V., Salvaplastic Internacional, S.A. de C.V., Polybag, S.A. de C.V., Iberplastic, S.A. de C.V. and Plasticos El Panda, S.A. de C.V. (For more information visit the following link <https://industriaelsalvador.com/ranking-exportadores/>)

The Salvadoran Association of the Plastic Industry (ASIPLASTIC) is the most important trade association, and it is made up of 85 companies.

Current Demand

Regarding plastic products, there is a high demand for polyacetals, polyesters, epoxy resin, and ethylene polymers. Other important products include plastic garments and accessories like gloves, and protective masks, like beekeeping face shields and noise protection (earmuffs).

Since this sector is very dynamic, it continuously needs machinery updates so there is a high demand for equipment for sacks and bags, pipes and pipe fittings, and thermoformed equipment.

In addition, efforts are being made to promote recycling and eco-friendly plastic products, leading to high demand for green technology and equipment.

Market Issues and Obstacles

This sector has been highly affected by the pandemic due to the high cost of raw materials and high inflation in buyer countries. However, it is recovering as evidenced by the increase in exports and imports during 2022. There were 253.9 million kilograms exported meaning an 8.5% increase with respect to 2021. Likewise, the imports of plastic products increased by 19.5% to reach a total value of US\$1,172.4 million, which is US\$191.6 million more than 2021.

Trade Events & Resources

ASIPLASTIC – Salvadoran Association of the Plastics Industry Website: <http://www.asiplastic.org/>

ASI – Salvadoran Association of Industrialists Website: <https://industriaelsalvador.com/>

BCR – Central Bank of El Salvador Website: <https://estadisticas.bcr.gob.sv/>

El Salvador Country Commercial Guide

European Union



Capital: Brussels
Population: 448.4 million
GDP: USD 16.75 trillion (est.)
Currency: Euro
Language: 24 official languages

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Summary

In 2021, the EU demand for plastics amounted to approximately 50 million tons. In 2018, the EU adopted the first-ever Europe-wide strategy on plastics, intending to modernize the plastics economy in Europe. The Plastic Strategy has laid the groundwork for a set of actions to address plastic pollution and transform how plastic products are designed, produced, used, and recycled in the EU.

Market Entry

Plastic manufacturers must comply with the EU chemical regulation, Registration, Evaluation, Authorisation, and Restriction of Chemicals (REACH). REACH requires manufacturers of plastics to register their constituent monomers and additives with the European Chemicals Agency (ECHA). In addition, REACH may allow the European Commission (EC) to impose restrictions on the use of chemicals used to manufacture plastics. Finally, sectoral legislation, such as the EU regulation applying to materials, also imposes restrictions on plastics used by the food packaging industry. Compliance with REACH and other sectoral EU legislation often requires companies to seek specialized advice.

The CE mark (including conformity assessment and technical documentation) is required for selling certain products in the EU. The CE mark indicates that the product meets the essential health and safety requirements set out in EU legislation. For information on product categories requiring CE marking: <https://www.trade.gov/country-commercial-guides/eu-eu-legislation-and-ce-marking>.

For plastics machinery in particular, the Machinery Directive lays down the essential health and safety requirements that machinery must meet to be sold in the EU, as well as procedures for assessing conformity with these requirements. Machinery must be accompanied by the EU declaration of conformity and bear the CE marking. The Machinery Directive has recently been revised and will be replaced by the Machinery Regulation as of 2027. For information: https://single-market-economy.ec.europa.eu/sectors/mechanical-engineering/machinery_en.

Current Demand

Estimated European (EU27+Norway, Switzerland, and United Kingdom) demand for plastics amounted to 50.3 million tons in 2021. The main uses for plastics were packaging (39.1%), building and construction (21.3%), automotive (8.6%), electronics (6.5%), household, leisure, sport (4.4%), and agriculture (3.1%). In Europe, the plastics sector employed 1.5 million people and generated US\$ 432 billion (est.) in turnover in 2021. (source: Plastics Europe - <https://plasticseurope.org/knowledge-hub/plastics-the-facts-2022/>).

Main Competitors

United States

China

Market Issues and Obstacles

In 2018, the EU adopted the Plastics Strategy. The strategy establishes a policy framework for preserving the benefits created by plastics to modern society while addressing the problem of plastic waste and littering. The implementation of this framework has focused on measures to encourage plastic recycling and waste management, with targets and rules in areas such as single-use plastics, plastic packaging, and microplastics. Therefore, the implementation of the Plastics Strategy has, and will continue to have, significant ramifications for the plastics industry and plastics market in the region.

Single-use plastics

In 2019, the EU adopted the Directive on single-use plastics. The Single-Use Plastics Directive encompasses different measures to curb plastic waste and marine litter, including an EU-wide ban on certain single-use plastic products for which sustainable alternatives are available. These include cotton bud sticks, cutlery, plates, straws, stirrers, sticks for balloons, cups, food, and beverage containers made of expanded polystyrene, and all products made of oxo-degradable plastic. For other single-use plastic products, the Single-Use Plastics Directive establishes labeling and design requirements, as well as waste management obligations for producers, including Extended Producer Responsibility (EPR) schemes.

For information: https://environment.ec.europa.eu/topics/plastics/single-use-plastics_en.

Plastic packaging

In 2022, the EC announced a revision of the EU legislative framework for packaging and packaging waste. Once adopted, the new Packaging and Packaging Waste Regulation will introduce sustainability requirements for all packaging placed on the EU market, and it will set targets for minimum recycled content in plastic packaging. The new rules will also establish packaging waste reduction targets for EU Member States and reuse targets for economic operators for selected packaging groups. The Regulation is also expected to ban certain single use plastic packaging formats.

For information: https://environment.ec.europa.eu/topics/waste-and-recycling/packaging-waste_en.

Microplastics

In 2023, the EC introduced a restriction on intentionally added microplastics under the EU chemical regulation “REACH”. The new rules will prohibit the sale of microplastics as such and of products to which microplastics have been intentionally added, and that release those microplastics when used. The EC also announced measures to curb microplastic pollution from the unintentional release of plastic pellets. Once adopted, the new rules will impose mandatory requirements on their handling.

For information: https://environment.ec.europa.eu/topics/plastics/microplastics_en.

Trade Events & Resources

Directorate General for Environment – Plastics:

https://environment.ec.europa.eu/topics/plastics_en

Directorate General for Environment – Circular Economy:

https://environment.ec.europa.eu/topics/circular-economy_en

European Chemicals Agency:

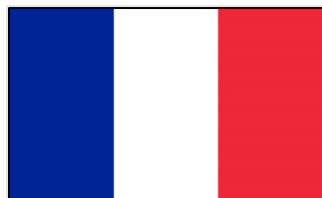
<https://echa.europa.eu>

Business Association Plastics Europe:

<http://www.plasticseurope.org>

European Union Country Commercial Guide

France



Capital: Paris
 Population: 68.4 million
 GDP: USD 2.78 trillion
 Currency: EURO

Contact Information:

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Summary

The French plastics industry suffered during the Covid pandemic, which led to shortages of raw materials and soaring polymer prices. On top of this, the Russian-Ukrainian conflict triggered an unprecedented energy crisis. 2022 marked the start of recovery.

Plastic materials:

World plastics production in 2022 reached 400.3 million tons and a value of €400 billion/ \$433 billion (includes fossil-based plastics such as PP, PE, PVC, PET, PUR and PS and bio-based and recycled plastics. In comparison, Europe (UE-27 +3) produced 58.7 million tons for a turnover of €56 billion / \$61 billion in 2022. Europe represents 14% of worldwide plastics production, a 4% decrease compared with 2015. China accounts now for 32% (compared with 27.8% in 2015), NAFTA countries for 17%, Asia for 19%, Middle East & Africa for 9%, Latin American countries for 4%, Japan for 3% and CIS countries for 2%.

France ranked third in Europe (after Germany and Italy) and accounts for 9.5% of European plastics production, reaching 5.58 million tons of plastic materials in 2022 for an approximate turnover of €5.32 billion / \$5.75 billion. It is interesting to note differences in market share related to the type of plastics produced in:

France, Europe, China, and the United States:

Type of Plastics production	France	Europe	China	United States
Fossil-based	9.5%	14%	32%	17%
Bio-based	8.1%	27%	33%	13%
Post consumer recycled	8.5%	21%	24%	8%

Belgium, France, Germany, Italy, Netherlands, Spain, and U.K.:

Type of Plastics production	Belgium	France	Germany	Italy	NL	Spain	U.K.
Fossil-based	14.6%	9.5%	21.6%	4.2%	11.7%	8.8%	3.7%
Bio-based	6.5%	8.1%	50.9%	27%	2.5%	1.6%	0.2%
Post consumer recycled	3%	8.5%	25.5%	14.1%	5.4%	11.6%	7.5%

(Source: <https://plasticseurope.org/>)

The “big eight” plastic types that stand out in terms of their market share in France are:

- Polyethylene – including low density (PE-LD), linear low density (PE-LLD) and high density (PE-HD), 37.8%
- Polypropylene (PP), 21.4%
- Polyvinyl chloride (PVC) 12.5%
- PET (polyethylene terephthalate) 14.3%
- PS (Polystyrene) 7.2%

- Other technical polymers 3.5%
- PA (Polyamide) 2.2%
- ABS (Acrylonitrile butadiene styrene) 1.2%

(Source: <https://plasticseurope.org/>)

Plastics Processing:

The turnover of the French plastics processing industry reached €42 billion / \$46 billion in 2022, an increase of 12% compared with 2021, but this figure reflects, above all, a price increase of more than 20% due to the geopolitical context. The French plastics industry production rebounded by 8% in 2021, before slightly declining by a moderate 0.7% in 2022 and 2023.

The main applications for the French plastics industry are as follows:

- Packaging
- Automotive
- Building & Construction
- Health
- Consumer & Household goods (Toys, household goods, gardening equipment and DIY tools, sports, leisure)
- Electrics & Electronic
- Agriculture

The French plastics industry is mainly composed of small and medium sized companies and accounts for 130,000 employees and 3,050 companies. The small size of most of French companies in this sector means it is essential for them to innovate and develop highly technical products. The French plastics industry is very active in incorporating low-carbon recycled plastics to meet European requirements and the International Treaty on Plastic Pollution. Innovations in eco-design for the building, mobility and packaging markets are numerous.

In 2022, the total value of French plastics industry exports amounted to €11 billion /\$11.9 billion whereas the total value of French plastics industry imports amounted to €17 billion/\$18.4 billion.

The biggest France export trading partners are Germany (16.2%), Belgium (9.8%), Spain (9.4%), Italy (9.2%), U.K. (6.2%), the United States (5%), Poland (4.5%), Netherlands (4%) and Switzerland (3.4%). The total value of exports from the French plastics industry is estimated at € 11 billion / \$ 11.8 billion in 2022.

The biggest France import trading partners are Germany (21.2%), Italy (12.3%), Belgium (9.7%), China (9.5%), Spain (8.6%), Netherlands (6.2%), Poland (4%), U.K. (4%) and the United-States (2.8%). The total value of imports from the French plastics industry is estimated at € 17 billion / \$ 18.4 billion in 2022.

(Source : Polyvia – French Polymer processors association : <https://www.polyvia.fr/fr>)

Plastics Machinery:

In Europe, the market of plastics machinery is dominated by Germany and Italy. France is a small actor with 40 main French plastics converting machinery and equipment companies, and a turnover of approximately €1 billion/\$1.1 billion. French trade (exports and imports) of plastics machinery is mainly with European countries.

Types of plastics machinery are distributed as follow:

- Injection molding machines
- Extruders and lines of extrusion
- Molding pressure machines
- Blow molding extrusion and injection machines,
- Welding machines
- Refitting, prototypes, and maintenance machines
- Calendering and mixing units.

(Source: <https://plasticseurope.org/>)

Market Entry

The French plastic market is highly receptive towards technical and other specialty products such as: performance plastics, reinforced plastics, and self-reinforced plastics, wood plastics-composites, other natural fiber composites, innovative composites, bioplastics (conductive and biodegradable) and Nano materials. In line with the national strategy "Recyclability, Recycling and Reincorporation of Recycled Materials" presented by the French Government on September 13, 2021, the French plastic industry supports the industrialization of plastics recycling processes and deepens actions/investments for the development of a more circular economy, to meet with France 2023 carbon neutral objectives by 2030. This Program is led by the CNRS (**National Centre for Scientific Research**):

<https://www.cnrs.fr/en/pepr/pepr-recyclabilite-recyclage-et-reincorporation-des-materiaux-recycles>

B2B marketplaces, direct purchase and marketing via wholesalers, distributors or agents are the main distribution channels in France. For plastics machinery, a partner with repair capabilities and spare parts availability is necessary. Price is a crucial factor in most transactions, as are quality and supplier reliability.

The demand for imports from outside the EU is limited since many plastics manufacturers in France are small companies. French companies generally import in small quantities acquired more easily locally (in Europe) than abroad.

French companies generally prefer long-term business partners, and business partner decisions are conscientiously taken.

Prior to exporting, U.S. manufacturers must consider:

- Certification for the EU market. Certification is about conformity assessment (testing and certification) to declare compliance with EU regulatory requirements: <https://www.trade.gov/eu-standards>
- Information related to Registration, Evaluation, Authorization and Restriction of Chemicals (REACH), environmental regulations and import documents can be found here: <https://www.trade.gov/country-commercial-guides/eu-import-requirements-and-documentation> and pages 29-30 of this Guide.
- The Packaging and Packaging Waste Directive (PPWD – Directive 94/62/EC) : [Revision of the Packaging and Packaging Waste Directive | Think Tank | European Parliament \(europa.eu\)](https://www.europarl.europa.eu/media-press/infobox/cms/detail.do?cid=12345)

Trade Events & Resources

F.I.P. France Innovation Plasturgie

[Home - FIP France Innovation Plasturgie \(f-i-p.com\)](https://www.fip-plasturgie.com/)

Associations:

French Plastic Industry Association Fédération de la Plasturgie

Website: <https://www.polyvia.fr>

Plastics Converters

<http://www.plasticsconverters.eu>

AMICS – Mechanical association

<https://www.amics.fr>

Plastics Recycling

<http://www.plasticsrecycling.org>

European Plastics Trade Association

Website: <http://www.plasticseurope.org/>

Euromap

<http://www.euromap.org>

France Country Commercial Guide

Germany



Capital: Berlin
Population: 84.6 million
GDP: USD 3.9 billion (2022)
Currency: Euro
Language: German

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Summary

Germany is the largest consumer market in the heart of the European Union. It has the highest GDP of all EU member states. One of its federal states alone, North Rhine-Westphalia, has a higher GDP than the country of Switzerland. The significance of the German marketplace goes well beyond its borders. International companies appreciate its central location within the EU, favoring shipments into other European countries. Not surprisingly, an enormous volume of worldwide trade is conducted in Germany at some of the world's largest trade events. For example, K' Show, the world's largest plastics show, attracts international visitors from 160 countries. These are but a few of the many reasons why U.S. firms make Germany the cornerstone of their European-expansion strategies. It is home to Europe's largest plastics market. The German plastics market offers good potential for innovative U.S. plastics materials and equipment. The local plastics industry consists of three main pillars: Processing, machinery, and materials.

Plastics Processing Industry according to Sectors	Annual Sales in EUR billion 2020-2022			
	2020	2021	2022	Change
Plastics Processing total:	61.64	70.01	78.85	12.60%
Packaging	14.40	16.38	18.56	14.91%
Construction	20.38	23.80	26.87	12.27%
Technical Parts	16.80	18.79	21.07	11.87%
Consumer Products	10.06	11.04	12.35	11.46%

Source: GKV (Association of the German Processing Industry) 2023

Plastics Processing:

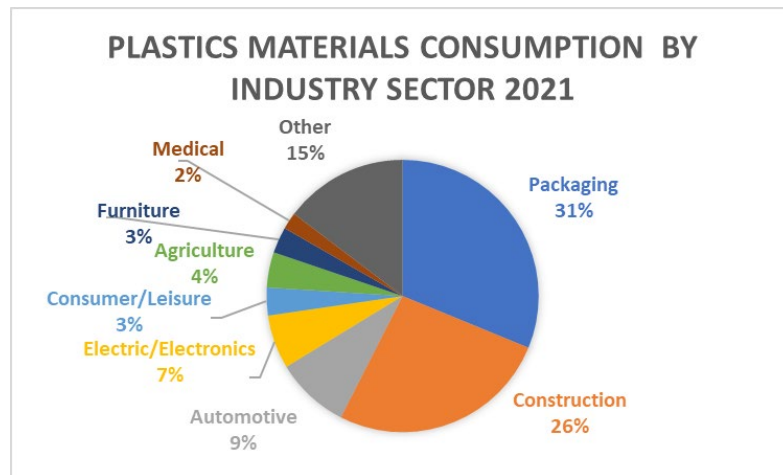
The majority of the German plastics companies are focused on plastics processing. In 2022, over 3,000 local firms processed plastics in value of EUR 78.85 billion, an increase of over 12% over 2021. Most of the plastics material is processed into packaging material mainly supplied to the food industry.

Plastics Machinery

About 200 German firms produce plastics and rubber machinery in Germany. They achieved annual sales of EUR 11.9 billion in 2022. After China, Germany is the world's second largest producer of plastics and rubber machinery and peripherals. Global players, such as Arburg, Dr. Boy, Kreyenborg, Kiefel/ Brueckner Group, Leistritz Group and others are based in Germany or, in neighboring countries. As a direct consequence, foreign manufacturers of standard plastics machinery seeking to enter the German market face very strong competition. Peripherals, such as instrumentation to secure high product quality or non-destructive testing devices, have better chances. In general, U.S. products have a good reputation and are known for their high quality.

Plastics Materials

The third pillar of the German plastics industry is the raw materials sector. About 50 local plastics producers with 54,700 employees achieved annual sales at EUR 35.8 billion in 2022. Several global players are headquartered in Germany, including BASF; Covestro; Evonik; Lanxess; Wacker Chemie and others. The majority of the materials are supplied to the packaging and construction industries.



Source: GKV, 2023

Bio plastics: The use of bio plastics in Germany is limited. High cost for bio plastics and the lack of technology to properly separate these materials from regular waste are main reasons. The use of bio plastics usually only pays off in sustainable applications, such as in agriculture. Materials can but don't need to be certified. For more Details: <http://www.european-bioplastics.org/bioplastics/standards/certification/>. Bio plastics are part of the European Union's Green Deal initiative: <https://bioplasticseurope.eu/project>. There are several local bio plastics initiatives in Germany, such as the Rubio Alliance. <https://rubio-biopolymer.de/en/>.

Market Entry

The major channels of distribution in the German plastics industry are.

- Direct purchase or B2B marketplaces
- Distributors or Wholesalers
- Agents

Direct Purchase or B2B: Sales of highly innovative plastics materials often require direct communication between supplier and processor to ensure satisfactory product results. Unlike specialty innovative plastics in small amounts, standard plastics are often purchased via B2B marketplaces. B2B orders are preferably placed with long-term suppliers.

Wholesalers/ Distributors: Plastics machinery or materials are marketed primarily through local distributors. Distributors vary in size. Large German distributors or wholesalers often operate in various EU countries or partner with local firms. U.S. firms are usually better positioned in the local markets by using a larger distributor. Experience has also shown that changing market conditions can negatively affect small distributors more easily than larger companies.

Agents: There only are a limited number of agents in the German plastics industry. Moreover, those agents usually operate at their product limit, so it is extremely difficult for a U.S. company to find an agent.

German companies usually prefer long-term business relationships. In an industry where production standstill can cost a fortune, fast response time is essential. In addition to pricing, quality and supplier reliability are major buying factors. German-language product literature is appreciated.

The products marketed in Germany need to comply with local and European regulations. The CE mark (including conformity statement and technical documentation of the country of import) is required for certain types of technical equipment. Information on the CE mark and on the most important regulations for materials are available from the U.S. Mission to the EU's website: <https://www.trade.gov/country-commercial-guides/eu-labelingmarking-requirements>.

Regarding materials, the following regulations are most important, others may apply in addition: REACH (Registration, Evaluation and Authorization of Chemicals) and, the CLP-Regulation (Classification, Labeling and Packaging of Substances and Mixtures). For further CE mark and REACH regulations information, please refer to pages 29-30 of this Guide.

The German import duty for injection molding machinery, blow molding machinery and extruders is 1.7%. The average customs duty for plastics raw materials is 6.5%. In addition to import duties, a 19% import-turnover tax (Einfuhrumsatzsteuer) must be paid at the EU border point of entry, which is then passed on to the ultimate end-user in the form of the value-added tax (VAT or Mehrwertsteuer, MwSt).

Current Demand

German industry is highly receptive to innovative U.S. products which are appreciated for their high quality. Below are some best prospects for U.S. companies.

- There is good potential for plastic construction products.
- Rather than standard machinery, spare parts and innovative peripherals from the United States have good prospects, such as measurement or testing devices.
- New lightweight materials with special features.
- Hybrid materials, a material mix that allows new or improved product characteristics.
- Flexible solar cells or displays; electronics on foil, organic light emitting diodes (OLEDs) as in light emitting wallpaper; materials for smart textiles.
- Green products, such as bio-based additives or "green" chemicals
- Bonding or innovative adhesive solutions allowing to combine different materials.
- Innovative packaging for food, i.e., "intelligent" packaging or, packaging with security features (specialty inks, holographic enhancements) to prevent fraud.
- Innovative recycling solutions, particularly for the separation of material mixes.

Trade Events & Resources

Name of Event: FAKUMA

Date: October 15-19, 2024

Location: Friedrichshafen

Website: <http://www.fakuma-messe.de/en/fakuma/>

The annual Fakuma show offers a wide range of products from injection molding to extrusion, including machinery and systems, peripheral equipment, raw materials, additives, tools and molds, automation and quality control. In 2023, 1,636 exhibitors participated in the event, attracting 39,343 international visitors. Compared to the highly international K' Show, FAKUMA mainly focuses on Germany and southern Europe but has grown in importance over the past few years.

Name of Event: European Coatings Show

Date: March 28-30, 2025

Location: Nuremberg

Website: <http://www.european-coatings-show.com/en/>

The biennial European Coatings Show (ECS) is Europe's major trade event for the coating and paint industries. It also showcases adhesives, sealants and construction chemicals. In 2023, 24,605 trade visitors and 1,017 exhibitors attended this event.

Name of Event: K' Show

Date: October 08-15, 2025

Location: Dusseldorf

Website: <http://www.k-online.de>

Description: K', the world's prime trade event for plastics/ rubber materials and machinery, offers exhibition opportunities for the whole range of the plastics industry. In addition to raw materials and machinery, it covers auxiliaries, semi-finished products, and services. The show takes place every three years. In 2022, it hosted 3,037 international exhibitors and attracted 176,000 visitors.

Germany Country Commercial Guide

India



Capital: New Delhi
Population: 1.4 billion
GDP: USD 3.72 trillion USD (2023)
Currency: Indian Rupee
Language: English/Hindi

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Phone: +91-98710-36665

Summary

The Indian plastic industry has become a significant part of the nation's economy since its establishment in 1957, marked by the production of polystyrene. It has expanded considerably over the years now including over 2,000 exporters and employing more than 4 million people nationwide. With around 30,000 processing units, the industry is largely composed of small and medium enterprises offering a variety of products from houseware to medical items and packaging materials. India's plastic exports cover a broad spectrum of goods, including raw materials, films, sheets, fabrics, and tarpaulin, contributing significantly to the country's economic activity. The overall Indian plastics market reached a value of USD 43.68 billion in 2023, with expected growth at a 6.6% CAGR from 2024 to 2030, reaching nearly USD 68.33 billion in 2030.

In line with the government's goal to boost the industry's economic impact, efforts are underway to increase its current economic activity from USD 37.8 billion to USD 126 billion within the next 4-5 years. To stimulate growth and encourage sustainable development, the Department of Chemicals and Petrochemicals has approved the establishment of 10 Plastic Parks across the country. Of these, six parks have already received final approval in states like Madhya Pradesh, Assam, Tamil Nadu, Odisha, and Jharkhand. These parks are not only expected to create job opportunities but also to promote eco-friendly practices, paving the way for a prosperous and sustainable future for the Indian plastic industry.

The Indian plastics sector stands as a multifaceted and rapidly evolving domain characterized by significant growth and dynamic shifts. With key statistics and projections in mind, it becomes evident that this sector is a force to be reckoned with.

The Plastics Powerhouse:

With a market estimated at a staggering USD73 billion in 2018-19, the Indian plastics industry has experienced remarkable expansion. Thermoplastic demand, particularly Polypropylene (PP), has surged, claiming a substantial share of 32% among the 19.3 million tons consumed in 2022. India's plastic consumption has soared over the years, witnessing a 23-fold increase between 1990 and 2021. Presently, the nation ranks as the third-largest plastic consumer globally, trailing only China and the US. Future projections suggest a continued upward trajectory with plastic consumption potentially hitting 160 million metric tons by 2060. Flexible packaging emerges as the dominant application for plastics, closely followed by sectors such as automotive, agriculture, and textiles.

Processing the Boom: Plastics Processing Equipment

The Indian engineering plastics processing equipment market is poised for significant growth with a projected Compound Annual Growth Rate (CAGR) of 7.49% from 2024 to 2029, reaching a value of USD 6.26 billion. This growth is fueled by several factors, including the rising demand for cost-effective and adaptable plastic solutions.

Moreover, the thriving electrical and electronics industries drive the need for advanced processing equipment. Across the landscape of plastics processing, various equipment types play integral roles from extruders to injection molding machines, blow molding machines, and thermoforming machines. These tools cater to diverse production needs shaping the expansive array of plastic products dominating various industries.

Biodegradable Resins: A Glimpse into the Future

One of the prominent challenges facing the Indian plastics sector revolves around the limited production of synthetic biodegradable plastics such as PBAT, PBS, PLA, and PHA. India heavily relies on imports for these materials, hampering widespread adoption of biodegradable alternatives. However, the Indian government has recognized the imperative for sustainable practices and reduced plastic pollution. In response, it actively promotes the domestic production of biodegradable resins, signaling promising growth prospects ahead. Establishing a robust domestic production capacity for biodegradable resins is pivotal for India's journey towards fostering a more sustainable plastics sector aligned with global efforts to mitigate environmental impact.

The Indian Plastics Recycling Sector

India, one of the leading consumers of plastics, grapples with a pressing issue: plastic waste management. Yet, within this challenge lies a promising prospect—the plastics recycling sector. In terms of the current landscape, estimates suggest that the Indian plastics recycling market hit 5.47 million tons in 2023 and is poised for robust growth at a CAGR of 10.57% through 2029. The sector employs a blend of formal and informal recycling processes, with informal waste pickers still playing a significant role despite the expansion of formal facilities. India generates an immense volume of plastic waste—approximately 3.47 million tons per annum as of 2019-20—underscoring the critical need for effective recycling, especially considering the country's relatively low recycling rates of around 30-40%. However, several challenges obstruct progress, including the dominance of the informal sector, inadequate infrastructure for waste management, and limited adoption of advanced recycling technologies like chemical recycling.

Looking ahead, the rising demand for recycled plastics, supported by government initiatives such as the Extended Producer Responsibility (EPR) scheme, and advancements in recycling technologies, offers promising avenues for growth. These developments position India to potentially emerge as a global leader in sustainable plastic waste management.

Market Entry

While there is tremendous opportunity in the Indian plastics sector, navigating its complexities requires a well-defined market entry strategy. Here's a roadmap to guide foreign companies.

Prepping for Entry into the Indian Plastics Market

1. **Deep Dive Research:** conduct thorough market research. Understand the size, segmentation, growth projections, and key players in the Indian plastics sector. Identify potential niches or unmet needs where your company can excel.
2. **Local Preferences:** Indian consumers have distinct tastes. Research their preferences for price, quality, and specific features. Consider focus groups to adapt your offerings to resonate with the local market.

Choosing Your Path

1. **Partnership Power:** Teaming up with an established Indian company can be a winning strategy. Leverage their market knowledge, navigate regulations with ease, and establish distribution channels. Explore options like joint ventures or acquisitions.
2. **Consider setting up a wholly owned subsidiary (WOS).** While navigating complex regulations may initially prove challenging, this approach offers more control and a robust local presence.

3. Sustainability Sells: India prioritizes sustainable practices. Showcase your company's commitment to eco-friendly processes and recyclable materials. This resonates with environmentally conscious consumers and could influence government approvals.

Building for Success:

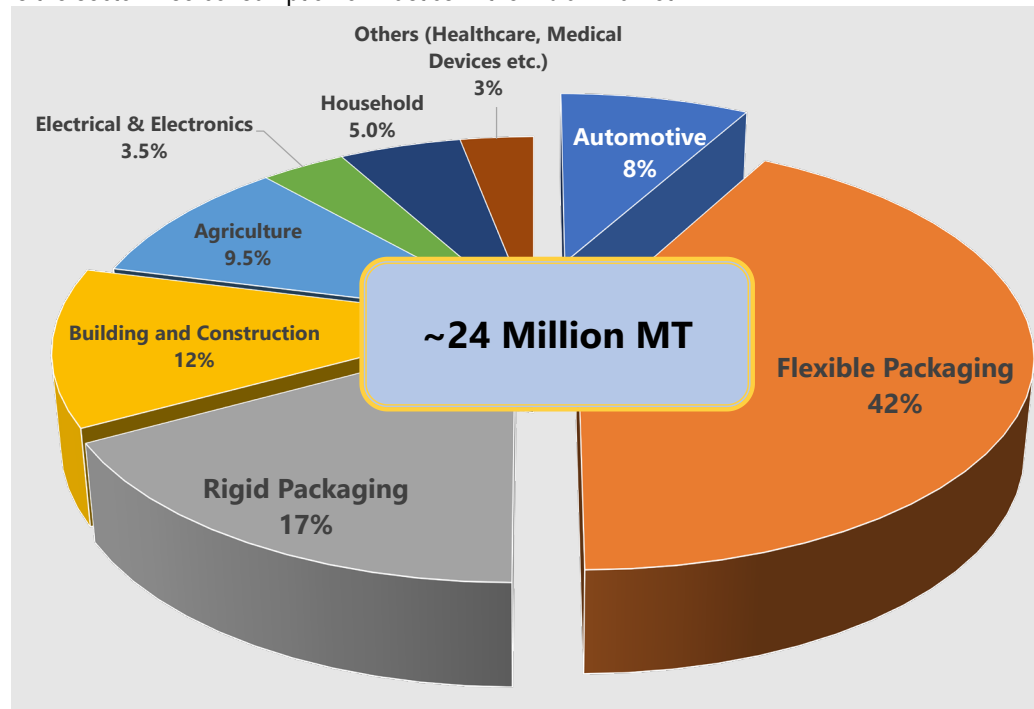
1. Local Talent Acquisition: Recruiting a skilled Indian workforce is crucial. They understand the market nuances and bridge cultural differences, ensuring smoother operations.
2. Government Relations: Building relationships with relevant government agencies keeps you updated on policies and regulations. This can help anticipate and adapt to changes in the market.

Going the Extra Mile:

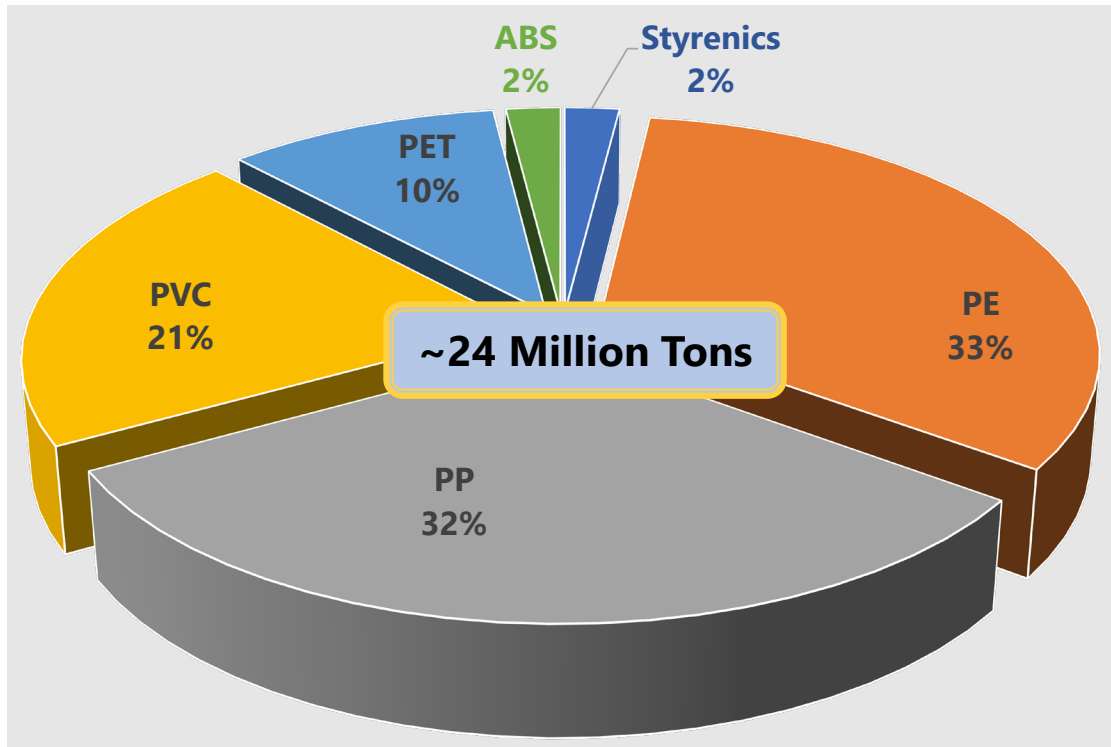
1. Innovation is Key: Indians appreciate cutting-edge technology. Highlight unique selling points that differentiate you from competitors.
2. Competitive Pricing Strategy: Price sensitivity dominates the Indian market. Develop cost-effective solutions without compromising on quality.
3. Building Brand Trust: Invest in marketing and brand awareness campaigns. Indians value trust and reputation – establish your company's credibility as a reliable partner.

Current Demand

The Indian plastics sector is witnessing a surge in demand propelled by several factors. Economic growth is driving increased consumption across diverse sectors due to a rising middle class and higher disposable income. Plastics cost-effectiveness and versatility compared to traditional materials make them a preferred choice for manufacturers. Advancements in plastic technology delivering durable and high-performance solutions for various applications. Consumption is escalating rapidly, with estimates indicating a remarkable 16% annual growth rate, solidifying India's position as the world's third-largest plastic consumer. Alongside this growth, there's a significant shift towards sustainable solutions like biodegradable plastics, driven by escalating environmental concerns. Flexible packaging is the largest plastics sector, supported by sectors such as automotive, electrical & electronics, and agriculture. Below is the sector wise consumption of Plastics in the Indian market:



Please note that India accounts for over 6 percent of global demand of plastics. Below is the break-up of plastics raw materials consumed in the Indian market:



Market Issues and Obstacles

The Indian plastics sector beckons with vast potential, but the U.S. companies face hurdles in entering and operating within this market.

Market Access Issues:

Price Sensitivity and Competition: Indian consumers prioritize affordability. Foreign companies may face stiff competition from established domestic players offering cost-effective solutions.

Distribution Network Complexity: India's vast and fragmented distribution network can be challenging to navigate for newcomers. Understanding local logistics and channels is crucial.

Regulatory Challenges:

Quality Control Orders (QCOs): Meeting stringent QCOs ensures product quality and safety. Foreign companies must ensure their products comply with these standards, often involving specific testing and certification procedures.

Extended Producer Responsibility (EPR): EPR regulations hold producers responsible for the end-of-life management of their plastic products. Foreign companies need to understand and factor in EPR compliance costs.

Environmental Regulations: India has increasingly strict environmental regulations regarding plastic waste management. Foreign companies must ensure their production processes meet these norms, potentially requiring adjustments to their operations.

Product Standards and Certifications: Meeting Indian product safety standards and obtaining necessary certifications can be a complex and lengthy process.

Intellectual Property (IP) Protection: While India has improved IP protection, concerns regarding enforcement can linger, potentially discouraging innovation.

Trade Events & Resources

Name of the Event: The Plastics Recycling Show India (PRS India)

Date: December 4-6, 2024

Location: Mumbai, India

Website: <https://www.prseventindia.com/prsindia2024/en/page/india-home>

Description: This is the first event dedicated to plastics recycling in India.

Source: Plastics Recycling Show, <https://www.prseventindia.com/prsindia2024/en/page/background>

Name of the Event: Compounding World Expo and Plastics Recycling World Expo

Date: May 14-15, 2025

Location: Mumbai, India

Website: <https://www.plasticsrecyclingexpoindia.com/Visit/WhenAndWhere>

Description: This co-located event brings together two of the leading plastics industry exhibitions. The Compounding World Expo focuses on the latest technologies and trends in plastics compounding, while the Plastics Recycling World Expo showcases advancements and innovations in plastics recycling.

Name of the Event: Plast India 2026

Date: TBC (February 2026)

Location: New Delhi

Website: <https://plastindia.org/plastindia-2026/>

Description: The largest plastics show in India.

Source: The Plast India Foundation, <https://plastindia.org/>

[India Country Commercial Guide](#)

Iraq



Capital: Baghdad
Population: 45,504,560 (2023)
GDP: USD 297.695 billion
Currency: Iraqi Dinars IQD
Language: Arabic

Contact Information:

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Summary

Iraq's plastics industry is a significant economic sector within the local market. It boasts several key manufacturers that supply diverse sectors, including **food packaging**, **medical packaging**, and **industrial packaging**. Impressive statistics underscore Iraq's rapid growth in the plastics, printing, and packaging domain.

The State Company for Petrochemical Industries (SCPI) operates as a key division under the Ministry of Industry and Minerals. SCPI specializes in producing essential raw materials utilized in the manufacturing of plastic products, including polyethylene, polyvinyl chloride (PVC), and other petrochemical goods. These materials are primarily derived from natural gas or similar petroleum sources. Notably, SCPI's Basrah petrochemical complex (PC-1), constructed in 1977, remains the sole comprehensive petrochemical production facility in Iraq.

Iraq, ravaged by numerous wars, witnessed the shutdown of a significant number of petrochemical factories. The General Company for Petrochemical Industries ceased operations entirely in 2011 attributed to insufficient supply of the necessary gas quantities. The plant requires 50 units of fuel for its initial operation and the absence of reliable electric power further exacerbated the situation.

Market Entry

The plastic industry in Iraq suffered from the lack of raw and intermediate materials, the difficulty of obtaining spare materials, and the backwardness of the technology used due to the failure to keep pace with the technical and technological developments in the world. Various plastic commodities imported from abroad, which have better competitive advantages than local commodities and are sold at a cheaper price than Iraqi commodities led to the marginalization and disruption of many plastic industries. Also, the weakness of the financing, the lack of skilled employees, lack of electric power, and no domestic equipment production led Iraq to be big importers for raw plastic materials and plastic equipment. However, Iraq witnessed increase in the plastic industry invested by domestic sector to produce plastic commodities and there are good opportunities in the market for U.S. exporters of equipment and materials in this field, especially energy-efficient plastic processing machines that save time and plastic recycling.

Iraq is the third largest Arab importing country of plastics technology in the Middle East.

(Statistics according to the German Engineering Federation (VDMA))

- Iraq's imports of plastics technology were up with an annual growth rate of 18.6%, from €20 million in 2017 to €47 million in 2022.
- Iraq's printing & paper technology imports have grown by 47.6% annually, from €5 million in 2017 to €35 million in 2022.
- Imports of packaging technology increased by 6.5% annually, from €49 million in 2017 to €67 million in 2022.
- Continuous growth is expected in the coming years.

Current Demand

The plastics and petrochemical industry have significant potential for expansion, as reflected in the rapid growth of investments now. Iraq witnessed an enormous growth in its plastics and petrochemical sector in terms of advancing the technology used by manufacturers. Iraq imports of plastic raw materials grew by 24% annually between 2011 and 2020, from 40 kt to 285 kt.

The country's plastic consumption per capita increased by 23% annually over the past years, from 0.5 kg in 2009 to 7.2 kg in 2022 and is estimated to reach 9.0 kg in 2026.

Main Competitors

Machinery in the Iraqi market comes predominately from China (approximately 40%), the European Union (approx. 20%), Turkey (approx. 30%). In addition to raw material Iraq importing huge number of formed plastics ready to use. The factories are concentrated in a few cities such as Baghdad, Basrah, Muthana, Erbil, Sulaymaniyah. The main competitors who are exporting plastic materials (raw and formed plastics) to Iraq are Saudi Arabi, China, United Arab Emirates, and Turkey.

Trade Events & Resources

Name of Event: Baghdad International Fair

Date: Nov. 2025

Location: Baghdad International Fair

Description: The annual largest fair in Iraq

Name of Event: Iraq Plast & Agro Pack 2024 in Erbil

Date: Nov. 2024

Location: Erbil International Fairground

Description: The large prime-plastic show at Kurdistan Region.

Iraq Country Commercial Guide

Israel



Capital: Jerusalem
Population: 9.855 million
GDP: USD 525 billion in 2022
Currency: New Israeli Shekel
Languages: Hebrew and Arabic

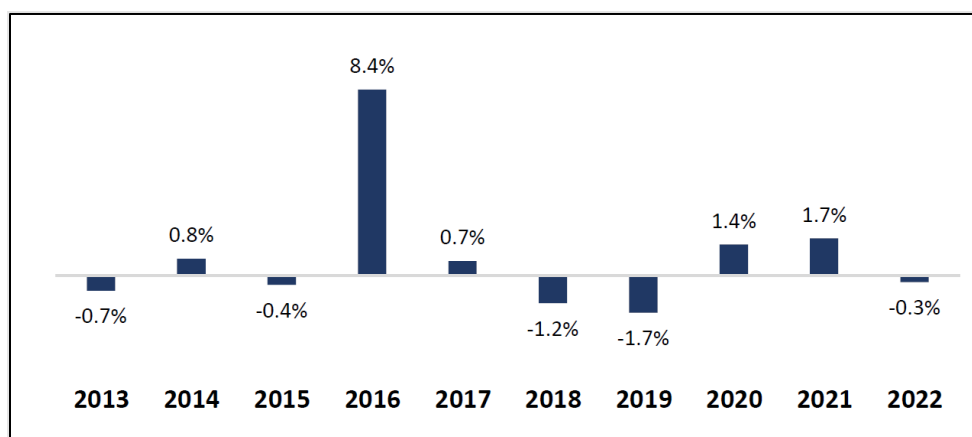
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Summary

In 2022:

- Rubber and plastic production saw a moderate annual decline of about 0.3%. The output constituted approximately 3.4% of the country's total manufacturing output, amounting to about NIS 6.2 billion (~\$1.72 billion).
- Total sales by the industry were NIS 21.7 billion (~\$6.02 billion), accounting for 8.1% annual growth compared to 2021.
- The industry employs about 23,800 in 615 manufacturing facilities.
- Exports of rubber and plastics materials and products were about \$2.73 billion.
- October 7 (2023) attacks and the ongoing war that has been waged since will affect the local rubber and plastic industry.

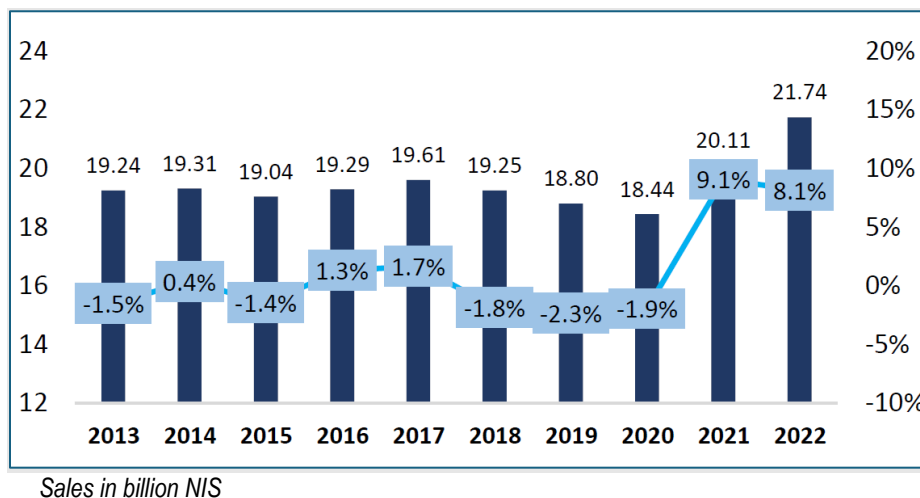


Annual output change

Israel's plastic and rubber industry is innovative and resourceful. It is focused on specialty, customized applications, high-quality, quick-delivery, large and small batch productions, and benefits from strong ties with universities and research institutes. The industry is export-driven and includes manufacturers of raw materials and additives, packaging solutions, advanced products for agriculture and construction industries, DIY and consumer-goods products, industrial parts, automotive parts, medical devices and disposables and plastic components for the aviation and aerospace industries. Raw materials and specialty compounds such as polyethylene, polypropylene,

polystyrene, and PVC are produced in Israel on a large scale by Carmel Olefins Ltd, Israel's sole manufacturer of petrochemical products that are used as raw materials for the plastics industry.

Based on reports from the industry, it can be estimated that the main activity indicators will continue to decline in the near future due to the slowdown in domestic demand (both from the industrial and the real estate sectors) and international demand for rubber and plastic products, as well as ongoing and growing cost of raw materials.



Market Entry

Partnering with a local representative is important for maintaining an active in-country presence. Because of Israel's small geographic size, most agents have exclusive representation rights. Distribution methods vary by type of product. For industrial equipment, raw materials and commodities, manufacturers use non-stocking commissioned agents, while stocking agents represent high-volume items. Direct purchase through agents is the most common Israeli distribution channel for raw materials and machinery. Israeli agents represent most major multinational producers.

The industry relies on quick delivery, flawless supply of raw materials and dependable machinery and equipment. Interested suppliers can contact Yariv Moravnik Shavitt, Commercial Specialist, at: yariv.moravnik-shavitt@trade.gov

Current Demand

Demand for Plastic and Rubber Raw Materials:

In 2023, Israeli manufacturers imported over \$3.72B worth of plastic and rubber raw materials and all their forms. Shipments from the United States accounted for about 10% of imports, at \$379 million.

Main Competitors

Israel is a mature market in many sectors and U.S. companies will face significant local and international competition. Machinery for the Israeli plastic-industry market is imported predominately from the European Union. Israel imports raw materials from Europe, the United States, and mainly, from China.

Market Issues and Obstacles

Becoming a major player in the Israel plastic & rubber industry requires an investment in marketing, logistics and R&D. Suppliers are also required to comply with international standards and regulations and should be ready to submit products for relevant testing and market approvals.

Trade Events & Resources

2023 – An Overview of the Israeli Plastics and Rubber Industry by the Manufacturers Association of Israel
2023 – [An Overview of the Israeli Plastics and Rubber Industry by Bank Leumi](#)

Israel Country Commercial Guide

Italy



Capital: Rome
Population: 59 million
GDP: USD 2.1 trillion (est.)
Currency: Euro
Language: Italian

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Summary

The European plastic industry employs about 1.5 million people working across 52,000 companies with annual sales of EUR 400 billion. Italy ranks as the second largest plastics market in Europe after Germany. Italian domestic plastic and rubber machinery production amounts to EUR 4.3 billion with high international sales and exports. The plastics processing sector has important applications in the domestic packaging, automotive and aerospace industries. New opportunities for U.S. companies are rising from the demand for new innovative materials to improve plastics performance. High demand for traditional additives is supplemented by demand for nanocomposites, bioplastics, and innovative composites.

Market Entry

Direct purchase through wholesalers and distributors is the most common Italian distribution channel. Participation at one of the major European trade shows is a good opportunity for meeting potential Italian distributors and buyers. Major Italian distributors of plastics offer a complete range of high-quality products, from polymers to additives, representing the major world producers. Major distributors include Brenntag, Eurochimind, Eigenmann & Veronelli, Biesterfeld Polybass, Eico Specialties, Prochema, Caldic Italia, Velox and Nachmann. Through their knowledge of the market and interest in acquiring new products, these companies are key contacts for market entry.

Current Demand

The Italian plastic market consists of three main sectors: plastic materials production, plastic processing, and plastic and rubber machinery.

The plastic market is significantly developed in Italy with 11,000 companies, about 160,000 employees and annual sales of EUR 43 billion.

	Plastic Materials	Plastic Processing	Plastic Machinery	Bioplastics
Companies	360	9,410	900	271
Employees	13,000	129,000	14,447	3,005
Turnover (bln €)	7.1	31.2	4.3	1.1
Export (bln €)	5.7	16.05	3.1	n/a

Source (The European House – Ambrosetti on data from PlasticsEurope, Euromap, Amaplast Plastic Consult and Assobioplastica).
<https://www.ambrosetti.eu/en/news/investing-in-plastics-circularity-may-generate-economic-and-employment-benefits/>

Plastic materials

In 2022 plastic materials demand in Europe, including thermoplastics and polyurethanes, thermosets, adhesives, coatings and sealants, reached 57.2 million tons, with the Italian market comprising 15%. Italy is Europe's sixth largest supplier of ethylene with a capacity of 1,54 million tpa reported in 2016 (data from BMI), while polyethylene (PE) capacity is 785,000 tpa. Italy no longer possesses a polyvinyl chloride (PVC) production facility.

Plastic processing

Italy is the second largest country in Europe for plastic consumption after Germany. Major polymers used in Italy include Polypropylene (19.1%), Low Density Polyethylene (17.3%), PVC (10.1%) and High Density Polyethylene (12.1%). The packaging industry accounts for about 49.5% of the plastics materials used in Italy, most of which is used for food packaging and packaging of pharmaceutical and hospital equipment.

The building and construction industries use 12.2% of plastic materials produced in Italy, primarily for door and window frames, paneling, tubes, and thermal and acoustic insulation. Applications in the automotive sector are increasing at a higher speed compared to other sectors due to the innovative composites used in new generation vehicles. The electronics industry accounts for 2.1% of plastics applications where it is used for fiber optics, microchips, computers, compact discs, cellular phones, TV sets and refrigerators. Other applications include agriculture (2.9%), health, and sporting goods. Germany, France, and Spain are the largest markets for Italian polymer exports.

The top plastics suppliers to Italy are Germany followed by France and Belgium, with the United States ranked eleventh. Leading materials imported from the United States include polymers of vinyl chloride (PVC) polymers of ethylene, and polyethers, epoxides & polyesters.

Plastic and rubber machinery

In 2022, Italian production of plastics and rubber machinery amounted to EUR 4.35 billion, with an increase of 8.1% over the previous year, making Italy one of the major plastics machinery producers after Germany and Japan. According to data released by Amaplast (<https://www.amaplast.org/en/>) Italian production increases signal the recovery of the Italian plastics industry to pre-crisis levels. In 2022 Italian exports increased by 8.7% to Central and South America, by 29.2% to Asia and by 8.0% to Europe. Germany remains the top destination for Italian plastics exports, followed by United States and Poland. Major sectors of clients purchasing Italian machinery are food packaging (25.5%), automotive (15.7%), other packaging (15.6%) and building and construction (11%). Plastics imports from the United States reached USD 645 million.

Main Competitors

Plastic material production

Many foreign companies have production subsidiaries in Italy, including Basf, Solvay, Borealis, Dow, LyondellBasell, and Cytec. Major Italian producers are Esso Italiana, ENI, M&G Polimeri, Polynt, Poliver, CFP Flexible Packaging, Coim, F.A.R. Fabbrica Adesivi Resine and Leda Industrie.

Plastic Processing

Major Italian converters are Pirelli, Marangoni, Crocco, Industrie Ilpea, IVG Colbachini, Ciga, CF Gomma, Metaform Lucchese, Si.Con, Sinterplast, Manuli Stretch, Plastotecnica, Coes and ITP.

Plastics and Rubber Machinery

Major Italian machinery producers also known abroad for their products are Bausano, Dolci Extrusion, Bandera, Ghioldi, Piovan, Icma, Amut, Moretto, Plas Mec, Negri Bossi (Sacmi Group – leading European designer and producer of injection molding machines for thermoplastics), Macchi (European leading supplier of blown film extrusion lines) and Presma.

Market Issues and Obstacles

REACH

Manufacturers and importers are required to gather information on the properties of the chemical substances they produce/import in volumes of more than one ton per year and to register the information in a centralized database run by the European Chemicals Agency (ECHA). Please refer to the REACH section in the European Union market update on page 29-30 of this Guide.

CE MARK

The CE mark is a mandatory European marking for certain products to indicate conformity with the essential health and safety requirements set out in European Directives. To permit the use of a CE mark on a product, proof that the item meets the relevant requirements must be documented. Please refer to the CE mark section in the European Union market update on page 29-30 of this Guide.

Trade Events & Resources

Name of Event: K' SHOW

Date: October 8-15, 2025

Location: Düsseldorf (Germany)

Website: www.k-online.de

Description: K Show is the world number 1 trade show for plastic and rubber. With 3,200 exhibitors and 232,000 visitors.

Name of Event: PLAST

Date: TBD

Location: Milan (Italy)

Website: www.plastonline.org

Description: PLAST, held in Milan every three years, is one of the most important exhibitions for plastics and rubber industry worldwide. With more than 1,500 coming from 55 countries and 50,000 visitors is the key plastic trade show in Europe after K Show.

Amaplast: Italian Trade Association for Plastic and Rubber Machinery - <https://www.amaplast.org/en/>

Federazione Gomma Plastica: Italian Trade Association of Plastics Processing Companies - <https://www.federazionegommaplastica.it/>

Assobioplastiche: Italian Trade Association of Bioplastics - <https://assobioplastiche.org/>

Italy Country Commercial Guide

Jordan



Capital: Amman
Population: 11.2 Million
GDP: USD 48.6 (2022)
Currency: Jordanian Dinars JOD
Language: Arabic

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Summary

The United States and Jordan enjoy a strong bilateral relationship, underpinned commercially by the U.S.-Jordan Free Trade Agreement (FTA). Since the signing of the agreement in October 2000, bilateral trade has surged over 990 percent, expanding commercial opportunities for U.S. and Jordanian businesses. The FTA gradually eliminated duties on nearly all products by 2010, and includes provisions for trade in services, electronic commerce, intellectual property protection as well as labor and environmental standards.

The plastics sector is a well-established, dynamic, and diverse sector in Jordan, with over 650 manufacturing facilities in the plastic, packaging and rubber sector accounted for over \$1 billion in exports in 2023, around 14% of the total exports of the country and over 4% of the total GDP (without the rubber and packaging sector, the exports of plastics are \$383 million, constituting for 4% of the country's total exports and 1% of the GDP).

Market Entry

The plastics industry in Jordan is advanced and constantly seeking improvements to stay up to date and be able to export, therefore its always looking for new machinery and raw materials to be able to compete with the rest of the region. The key player in this sector is the Jordan Chamber of Industry – Plastic and Rubber Industries sector which plays a key role in advocating on behalf of the manufacturers and assists in the upgrade of the industry.

US exporters are encouraged to assign a distributor/agent to represent them in the local market, as a way to facilitate doing business in Jordan. The U.S. Commercial Service in Jordan advises U.S. companies on how best to enter the market and offers a range of services to assist U.S. companies in finding a local partner or promote, through the local partner, products already being commercialized or soon to be launched in the market. The U.S. Commercial Service can also assist with due diligence on a prospective local-company partner. To be able to enter the market, an exporter needs to have the CE mark in addition to ISO 14001 and ISO 9001.

Main Competitors

Jordan's plastics machinery and raw material are mainly supplied by the Gulf region, United States, China, Taiwan, and Korea.

Market Issues and Obstacles

- High energy cost, over 40% of the production cost is from energy.
- High cost of raw materials.
- Lack of skilled labor and the inability to recruit from outside the country.

- High cost of land and sea shipping.

Trade Events & Resources

Name of Event: JIMEX

Date: 2025 TBD

Location: Jordan Center for International Exhibitions (JIEC)

Description: JIMEX is the largest leading industrial engineering show in Jordan with more than 280 exhibitors and more than 10 country pavilions.

Name of Event: Jordan Build

Date: August 12-15, 2024

Location: Jordan Center for International Exhibitions (JIEC)

Description: Jordan Build is the No.1 Trade show for the building technology and construction industries in Jordan which covers every facet of the construction industry from building materials, and smart city technologies to total surveillance systems.

[Jordan Department of Statistics](#)

[Jordan Chamber of Industry](#)

Jordan Country Commercial Guide

Malaysia



Capital: Kuala Lumpur
Population: 34,308,525 (mid-2023)
GDP: USD 465 billion (nominal, 2024 est.)
Currency: Ringgit Malaysia
Language: English, Malay, Chinese, Tamil

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Summary

The plastics industry is a primary pillar of Malaysia's economy, and a source of parts and components for its downstream manufacturing sectors such as electrical & electronics, automotive, and food packaging. In 2023, the plastics manufacturing industry recorded a turnover of \$13.1 billion, of which \$3.4 billion was for direct export.

The four largest market segments served by this industry are:

- Packaging (45%)
- Electrical and Electronics (28%)
- Automotive (12%)
- Construction (6%)

This industry is the most dynamic of Malaysia's manufacturing sectors, as it is seen as an enabler of other higher-value manufacturing activity. It is also rated as one of the most competitive plastic industries in the Asian region.

Market Entry

The industry consists of 1,400 large and medium-sized manufacturers and many smaller players. Industry bodies such as the Malaysian Plastic Manufacturers Association (MPMA) and the Federation of Malaysian Manufacturers (FMM) offer access to companies in this sector through their membership roster.

Current Demand

Major markets for Malaysian plastic exports are the United States, European Union, Singapore, Australia, and Japan. The largest exports are film and sheets, driven by Malaysia's position as the largest producer of stretch films in Asia. The country's output makes up approximately 9% of the global stretch film production.

Malaysia produces a wide range of plastic packaging products, ranging from rigid (e.g., bottles, containers, etc.) to flexible (e.g., plastic bags, shrink wrap, etc.) for both commercial and industrial use. These products support other important domestic industries such as food & beverage, chemicals, industrial & edible oils, detergents, fertilizer, and agricultural commodities. Global growth of the food & beverage and e-Commerce segments are expected to drive demand for plastic packaging material.

The plastics industry also benefits from Malaysia's position as a regional manufacturing hub for electrical and electronic (E&E) products. In 2023, E&E exports were \$121.3 billion, accounting for 40% of Malaysia's total exports. The E&E industry relies on the local plastic industry for its supply of raw materials, parts, components, and packaging material. Robust global demand for semiconductors, driven by the rollout of 5G, artificial intelligence, and electric

vehicles will expand this market segment.

Malaysia is the third-largest vehicle manufacturer in Southeast Asia, producing approximately 700,000 vehicles a year. As vehicle designs aim to reduce weight and improve fuel efficiency, advanced plastics will continue to replace metal and glass parts on vehicles.

The post-Covid recovery of the construction sector is also expected to see increasing demand for plastic pipes and other polymer-based construction materials. The emergence of the industrialized building industry, where building parts are manufactured in factories and later assembled into construction works on site, will utilize more plastic manufacturing technology.

Main Competitors

The Malaysian Government has expressed interest in doing more business with its free-trade agreement (FTA) partners. Malaysia has FTAs in place with many of its major trading partners through agreements such as the Regional Comprehensive Economic Partnership (RCEP) and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). These agreements offer preferential market access among their Parties, including China, Japan, South Korea, Australia, and Canada. The United States and Malaysia do not have an FTA.

Market Issues and Obstacles

Malaysia is a price-sensitive market, where pricing strategy and cost control are critical amid a business environment pressured by increasing costs and global competition. The strengthening of the U.S. dollar relative to the Malaysian Ringgit will disadvantage U.S. exports to Malaysia.

Trade Events & Resources

Name of Event: Malaysia International Plastic Mould & Tools Exhibition 2024

Date: July 11 -13, 2024

Location: Malaysia International Trade and Exhibition Centre (MITEC), Kuala Lumpur

Website: <https://esievent.my/malaysia-international-machinery-fair-mimf/>

Description: My-Plas, also known as the Malaysia International Plastic Mould & Tools Exhibition, is a leading annual event for the plastic, mold, and tools industry. It is in its 35th edition and is endorsed by the Malaysia External Trade Development Corporation (MATRADE). This exhibition is part of a four-conference symposium under the Malaysia International Machinery Fair 2024 (MIMF) banner. Running concurrently with My-Plas is the Malaysia Packaging and Food Processing Expo 2024 (My-Pack).

Malaysian Plastics Manufacturers Association

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46300 Petaling Jaya, Selangor, Malaysia

T: +60 3 7876 3027

E: info@mpma.org.my

W: www.mpma.org.my

Federation of Malaysian Manufacturers

Wisma FMM, No. 3 Persiaran Dagang, PJU 9,

Bandar Sri Damansara, 52200 Kuala Lumpur, Malaysia

T: +603-62867200

E: webmaster@fmm.org.my

W: www.fmm.org.my

*2024 Annual Update on the Malaysian Plastics Industry, Malaysian Plastics Manufacturers Association ([MPMA](#)), published 14 March 2024

Malaysia Country Commercial Guide

Mexico



Capital: Mexico City
Population: 131 million
GDP: USD 1,811 billion
Currency: Peso
Language: Spanish

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Summary

Mexico's plastics industry is one of the country's fastest growing sectors driven by the constant development of the packaging, construction, automotive, household appliances, electronics, medical device, and aerospace industries. The FDI in this sector has increased in the last years due to the nearshoring phenomenon. Important clusters throughout the country contain most of this industry in regions including, Central Mexico (Mexico City, Estado de Mexico, Puebla, Hidalgo), Bajío (Jalisco, Guanajuato, Queretaro, San Luis Potosi, and Aguascalientes) and Northern Mexico (Tamaulipas, Nuevo Leon, Coahuila, Chihuahua, Sonora and Baja California). Mexico is the top destination for U.S. plastics related exports.

Market Entry

For international suppliers, it is advisable to work through a partner in Mexico. Mexico's plastic market produces more sales when foreign suppliers are represented by distributors which have knowledge of plastic processing techniques and serve a large customer base providing a variety of resins, additives, and mold release agents. This is even more important when talking about machinery and equipment that will require maintenance and repair services.

Current Demand

In 2022, Mexico's international purchases of plastic resins worldwide totaled USD 41.52 billion, and more than half of that was imported from the United States. According to the Mexican Plastics Industry Association (ANIPAC) packaging and containers are the largest segment representing 45% of the industry, followed by 16% of general consumer goods, 11% construction, 8% automotive and the rest comprised by electronics, medical and other products.

Large international suppliers of plastic resins have opportunities to sell to original equipment manufacturers (OEMs), but usually these purchasing decisions are managed by headquarters-based buyers. Small and medium-sized suppliers are better off selling to tier suppliers that service OEMs. Small and medium-sized manufacturers operating throughout Mexico would be the simplest way to enter the market. The manufacturing of plastic parts has a low margin and therefore, low-cost, high-quality materials are easy to sell. Smaller manufacturers would consider reprocessed and off-grade plastic resins.

The most popular imports from the United States include auxiliary equipment for plastics processing. Mexico's plastics manufacturers are mainly looking for extruders, blenders, mixers, and automation solutions for primary and secondary plastics processing.

Mexico is recognized as a leader in Latin America when it comes to Polyethylene terephthalate (PET) recycling and recovering 60 percent of PET bottles intended for recycling circulated in the market. According to ECOCE it is

estimated that Mexico recycles close to two million tons of plastic annually. Most Mexican companies recycle in-house for their own consumption to assure compliance with health and environmental standards. Plastic recycling technologies will be in demand soon. By 2025 Mexico is looking to reach a 70% recycling of PET and 30% of other plastics.

Main Competitors

Mexico has a strong base of local resin production through Braskem Idesa, Indorama Ventures, Orbia, Resirene, Indelpro, and Alpek from grupo ALFA, among other smaller players. Added to local manufacturing, several large international chemical groups are successfully supplying the Mexican industry through local offices or partnering with Mexican entities. In terms of machinery, the U.S. suppliers encounter fierce competition in Italian, Japanese, and Chinese brands.

Market Issues and Obstacles

There are no restrictions to imports of plastic resins, equipment, technology, or services from the United States. International exporters seeing their products stuck at customs usually report issues related to insufficient documentation, wrong HS Code classification, packaging, or labeling. Exporters are advised to work hand in hand with their Mexican importer and a Mexican customs broker before shipping any products to avoid additional costs of delays when dealing with customs.

Trade Events & Resources

Name of Event: Expo Pack Mexico

Date: 2025 TBD

Location: Mexico City, Mexico

Website: www.expopackmexico.com.mx

Description: Expo Pack is the largest exhibition for packaging and processing technologies in Mexico that touches a wide array of sectors such as food and beverage, cosmetics, personal care, and pharmaceutical.

Name of Event: Expo Poliplast

Date: August 14-16, 2024

Location: Monterrey, Mexico

Website:

Description: Northern Mexico's plastics exhibition. A fairly new event, this will be its 4th edition and its focus is regional for Northeastern Mexico

Name of Event: Expo Plasticos

Date: November 5-7, 2024

Location: Guadalajara, Mexico

Website: www.expoplasticos.com.mx

Description: Mexico's international exhibition and business forum for machinery, technology, raw materials, and plastic solutions for all industries. This year will mark the show's 17th edition.

Name of Event: Plastimagen 2025

Date: March 11-14, 2025

Location: Mexico City, Mexico

Website: www.plastimagen.com.mx/en

Description: Mexico's largest showcase for plastics and resins, machinery, tools, and services, as well as modern technologies, and applications for plastic processing. With 25 editions, Plastimagen has consolidated as the gateway for the plastics industry in Mexico and Latin America.

Name of Event: Expo Pack Guadalajara

Date: June 10-12, 2025

Location: Guadalajara, Mexico

Website: www.expopackmexico.com.mx

Description: Expo Pack is the largest exhibition for packaging and processing technologies in Mexico that touches a wide array of sectors such as food and beverage, cosmetics, personal care, and pharmaceutical.

ANIPAC

Asociación Nacional de Industrias del Plástico A.C. – National Plastics Association

www.anipac.org.mx

DATA Mexico

Secretaría de Economía del Gobierno de México – Mexican Government Database

<https://www.economia.gob.mx/datamexico/>

ECOCE

Association that promotes recycling of packaging, including plastics bottles.

<https://www.ecoce.mx/>

PTM

Plastics Technology Mexico – Plastics industry publication

<https://www.pt-mexico.com/>

[Mexico Country Commercial Guide](#)

Mozambique



Capital: Maputo
Population: 33 million
GDP: USD 18 Billion (est. 2022)
Currency: Mozambican Metical (MZN)
Language: Portuguese

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Summary

Mozambique's use of plastic has been increasing in various sectors including for transportation, packaging, household appliances, electronics and construction. An opportunity to recycle municipality solid waste collections is being assessed as to the current scenario of dumping waste into landfills of which most is plastic. Nationally, Mozambique generated 2,644,873 tons of municipal solid waste (MSW) or 85kg per person/year in 2016, with that number expected to grow substantially in the coming decades. The overall waste collection rate is about 30 percent. For Maputo, waste generation is at 197kg per person/year while the collection rate is 82 percent.

Market Entry

Creating local partnerships can be a useful way to help navigate the local business market. Most companies find it advantageous to establish a local office in Mozambique to deal with officials and clients and to obtain information on potential business opportunities.

Mozambique's trade weighted average tariff rate is 7.1%, and slow customs procedures interfere with the free flow of trade. Duties on imported goods range from 0 to 25%. A duty of 20% is levied on consumer goods and a value-added tax of 16% is also assessed at the time of importation. To look up duties and tariffs use, use the [Customs Info Database](#) tariff look-up tool, available on trade.gov (free registration required), to estimate duties and taxes.

Current Demand

Most of the plastic manufacturers in Mozambique operate in the municipalities of Maputo and Beira and are mainly medium and large firms with presence in several countries. In Maputo (representing 6 percent of the country's total population), where accurate data is more readily available, waste generated in 2007 increased from 397x103 tons to 437 x103 tons in 2014 (a difference of 40,000 tons). Manufacturers tend to prefer importing plastic pellets rather than have them locally sourced is because material losses tend to be much higher when processing the latter.

Main Competitors

The manufacturers using virgin plastic material import pellets from the Southern African Development Community (SADC) region, Saudi Arabia, Europe, and China.

Market Issues and Obstacles

In Mozambique, the Decree for the Environmental Fee on Packaging has been approved, but implementation is slow. The lack of accessible technology and a high operational cost, impacted by poor quality feedstock, has traditionally hindered downstream plastic solutions. U.S. companies interested in finding local distribution partners may contact the U.S. Commercial Service for counseling on market entry.

Resources

WorldBank: [The Circular Plastics Economy in Mozambique : Challenges and Opportunities](#)

[Mozambique Country Commercial Guide](#)

Peru



Capital: Lima
Population: 34 million
GDP: US\$ 268 billion
Currency: Sol
Language: Spanish

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Summary

The plastic industry in Peru remains underdeveloped compared to other countries in Latin America such as Brazil. Peru currently has very little domestic plastic production and relies heavily on imports to meet demand. However, the country has significant potential to expand its petrochemicals industry due to large natural gas reserves that could provide feedstock for plastic production. Developing polyethylene facilities utilizing ethane resources from the Camisea gas field could create a self-sufficient domestic plastic market in Peru.

Market Entry

The plastic market in Peru is relatively small, with per capita domestic plastic consumption among the lowest in the region. However, demand for plastic products is growing slowly as the economy develops. Key end-use sectors for plastics in Peru include packaging, construction materials, automotive, and consumer and household goods. The market is dominated by imports, which account for around 40% of plastic consumption. Domestically produced plastics are limited and consist mainly of basic commodity resins and products.

In an effort to address challenges within the plastics economy, Peru formally joined the Global Plastic Action Partnership (GPAP) in September 2023, emphasizing its commitment to this initiative.

Current Demand

We forecast that Peru's annual polyethylene demand will approach 500,000 metric tons per year by the mid-2020s, representing an increase of 200,000 tons over the next decade. As domestic production remains negligible, Peru relies heavily on plastic imports, mainly from Colombia, the United States, Brazil, and China to meet this demand. Growth in Peru's industrial and construction sectors is expected to fuel additional demand for plastic products in the coming years.

Market Issues and Obstacles

A major challenge for the development of Peru's domestic plastic industry is the lack of olefin production facilities. Plans for major petrochemical projects have been repeatedly delayed or canceled citing issues securing necessary gas pipeline infrastructure and investment. Regulatory hurdles and a slowing economy also pose risks. Establishing world-scale polyethylene plants utilizing Peru's ethane resources would help develop a self-sufficient domestic plastic market. However, the country will need to address infrastructure bottlenecks and improve its investment climate to attract the major capital required for such projects.

Trade Events & Resources

Name of Event: Expo PLAST PERU 2024

Date: August 21-24, 2024

Location: Lima, Peru

Website: www.expoplastperu.com

Description: Peru's exhibition and business trade show for machinery, technology, raw materials, and plastic solutions for all industries.

[Peru Country Commercial Guide](#)

Singapore



Capital: Singapore
Population: 6 million (2023)
GDP: USD 500 billion (2023)
Currency: Singapore Dollar
Language: English

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Summary

The plastics industry in Singapore started almost 50 years ago in 1969 with small quantities of polyvinyl chloride (PVC) production. Now, more than five decades later, it is a high-tech capital-intensive industry with expertise not just in thermoplastics but also in polymers and composites. In 1989, a local industry plastic association comprised of member companies that cover product manufacturers (converters / fabricators), resin producers, machinery / equipment suppliers, compounders and mold / tool makers was formed to build up the sector.

At the turn of the century, the plastics / rubber industry employed more than 20,000 workers but now with competition, mechanization, and higher overheads, less than 9,000 workers are employed in the industry. However, these industry workers are all highly skilled, which adds value to the overall economy due to the production of specialty resins and polymers for various industry applications. Since Singapore's production costs are higher than other Southeast Asian countries such as Malaysia, Indonesia, Thailand and Vietnam, the Government is encouraging local plastic processing firms to opt for higher value-added manufacturing processes that use more sophisticated machinery.

The plastics industry in Southeast Asia is growing. The ASEAN countries, consisting of 11 Southeast Asian countries including Singapore, are becoming an important plastics processing center due to increasing demand caused by growth in the telecommunications, automotive, electronics semiconductor, food / electronics packaging, and the consumer goods industries. In 2021, Singapore imported more than US\$8 billion of plastic machinery / products of which 5% was from the United States. Key suppliers for most types of thermoplastics machinery and equipment are from Germany and China.

Market Entry

For new-to-market firms, appointing an agent / distributor to market U.S. products is highly recommended. Alternatively, a sales office can be established in Singapore to service the Southeast Asia region. Once a viable business is established, U.S. companies should consider joint-venture arrangements with local representatives as a means of further establishing themselves. Plastic processing machinery is sold in Singapore and the region through distributors, who handle the importation, promotion, and marketing. Distributors usually add 5-10% mark-up when selling the machinery to end-users. There are several methods to launch and promote plastics machinery:

- advertising in industrial yellow pages and trade journals
- participating in local shows in Southeast Asia
- staging seminars and promotional events

U.S. exporters must be prepared to work with their distributors to build up their networks and to provide marketing support wherever possible, given the high level of competition as well as the different demand patterns of each

country. Japanese suppliers are preferred occasionally due to perceptions regarding flexible business practices.

In the case of a U.S. manufacturer and a Singapore distributor, the prevailing practice is for the Singapore distributor to obtain a Letter of Credit (LC) from their bank certifying that they can pay for the goods ordered. Upon receipt of the LC and other essential documents, the manufacturer can then ship the goods out and claim revenue with a Bill of Lading and the Invoice of Payment. Between the Singapore distributor and the end-users, the payment schedule is 30-60 days upon delivery of goods. A longer-term contract can be negotiated but countertrade or bartering is not the practice in this industry though it may be so in some regional countries.

Current Demand

According to industry sources and government statistics, the market size for plastics in ASEAN is expected to be around 40 million metric tons by the end of the decade. Singapore's total plastic production capacity is estimated to be around five million metric tons/year. Precision parts are the heart of the industry for Singapore and the plastic processing sector benefited from the electronics sector in the past but now, the growth is from the medical technology sector and additive manufacturing. To stay competitive, Singapore plastic manufacturers are encouraged to produce higher value-added products using high technology equipment to cater to market demand resulting in the industry becoming more sophisticated in terms of tooling, processes, machinery, and materials. Industry trends indicate a strong potential for more automated, innovative, and easy-to-use machinery that have quick cycle times.

Singapore consumes various types of thermoplastic products such as bottles / containers, film / bags, pipes / profiles, extrusion, and precision engineering components. Singapore residents use around 2 billion plastic items annually. As such, local plastic manufacturers can produce various types of thermoplastic / polymer resins such as polyethylene, polypropylene, polystyrene, polycarbonate, and polyamide. End products for these manufacturers include plastic bags, PET bottles, precision extrusions and medical products to complex injection moldings where some are exported to other Asian countries.

End-users of plastics machinery can be classified under the following categories:

- blow molders who manufacture plastic bottles and plastic bags
- transfer molders who manufacture plugs and power sockets
- plastic films manufacturers who supply signboards and acrylic sheets
- injection molders who manufacture computer and telephone casings
- extrusion molders who manufacture straws and pipes.

Composites which are essentially a combination (two or more) of natural or synthetic materials are designed to increase material strength and durability for many industry applications. The global composite market is expected to be over US\$190 billion by the end of the decade. Asia will account for around half of the global market and Singapore as a regional hub will be an important player in this market for many industry sectors such as aviation, electronics, medical, petrochemicals and telecommunications and will continue to be a strong producer for carbon fiber, composite molding, and innovative / intermediate parts.

Main Competitors

Although brand is important, local companies feel that after-sales support is the most critical factor. For machines that are relatively unknown in the Singapore market, U.S. manufacturers must be prepared to enter the market with a competitive pricing strategy especially since they are often perceived to be less flexible when it comes to payment terms and long-term business relationships. As such, Japanese and European companies have the largest market share for various types of molding machines such as injection molding, blow molding and vacuum molding in Singapore. However, for extruders, other types of thermoforming machines and polymerization reactors (used for making industrial polymers) and accessories; the U.S. can still compete in terms of price and technical specifications according to industry sources.

With a combined population of more than 650 million, ASEAN can be considered as a growing consumer base with increasing opportunities in the plastics industry. Various ASEAN countries such as Malaysia, Indonesia, Thailand, and Vietnam are plastics producers and according to industry sources, plastics production rates have been growing around 10% annually in recent years. This is due to all four ASEAN countries (Malaysia, Indonesia, Thailand, and Vietnam) having a growing middle class as well as automotive, electronics and food packaging industries respectively.

Singapore plays a role that is more regional and takes the lead in R&D to develop bioplastics, which are more eco-friendly products. It is no secret that Singapore cannot compete with other ASEAN countries in terms of general plastics manufacturing, but the country has a large aviation, medical and petrochemical sectors that is home to many of the top global companies.

Market Issues and Obstacles

Price, quality, and service are the three main selling factors in Singapore and the region. It is equally important for U.S. companies to build a long-term relationship with potential partners. These partners include agents or distributors who can serve Singapore and the Southeast Asia region. The Singapore government has positioned itself as a hub for Southeast Asia. With its excellent business and physical infrastructure, skilled workforce and strong IP protection regime, Singapore offers U.S. companies a base to export their products and conduct R&D.

Singapore is generally a free port as more than 99% of all imports enter Singapore duty-free. Moreover, Singapore has adopted a single-tier income tax system which means no double taxation on stakeholders and the corporate tax rate is only 17%. However, the U.S. – Singapore Free Trade Agreement (FTA) which was the first U.S. FTA with a partner in Asia, makes it easier for U.S. companies to conduct business in Singapore given that it provides for increased protection and enforcement of intellectual property. 2024 is the 20th anniversary of the entry into force of the FTA.

Generally, there are no duties or tariffs on most exports to Singapore as the country maintains one of the world's most open trading regimes. Other than the Goods & Services Tax (GST) which was first introduced on April 1, 1994, very few goods have duties. Goods that are re-exported are eligible for GST refund, but the current GST of 8% is expected to remain fixed over the next few years. To facilitate trade, the Singapore Government has simplified import and export procedures. Singapore also maintains an open trading policy that works to its advantage to strengthen its status as a distribution hub for the region.

In view of Singapore wanting to be seen as a green nation, various standards and regulations are being introduced. For example, there is a Singapore Packaging Agreement, a joint initiative by government industry, and non-governmental organizations, where all plastic manufacturers in Singapore must reduce their packaging waste from 2021 onwards. Plastic waste recycling is only 6% of all the waste that was recycled in 2022 so more can be done to reach at least 10% by end of the decade which is still low compared to other types of waste recycling such as paper / cardboard or glass. Singapore is also looking at circular economy for various types of plastic products manufactured here. In addition, Singaporeans are encouraged to bring their own shopping bags when they visit supermarkets / wet markets or their own food containers if they buy food from food courts to take away otherwise there will be a surcharge. It is part of the BYO (Bring Your Own – Choose Reusables, Not Disposables) movement.

Trade Events & Resources

Singapore Plastics Industry Association - <http://www.spia.org.sg/>

Singapore Precision Engineering and Technology Association - <https://speta.org/>

Society of Plastics Engineers (Singapore chapter) - <https://www.4spe.org/>

[Plastics in a Pandemic: A Look at a Long-term Solutions - The ASEAN Magazine](#)

[Asia Pacific Recycled Plastics Market Size Report, 2019-2025 \(grandviewresearch.com\)](#)

[Singapore Is Well-Positioned To Play A Leadership Role In Advancing The Circular Economy | Singapore EDB](#)

Singapore Country Commercial Guide

Slovak Republic



Capital: Bratislava
 Population: 5.45 million
 GDP: USD 183 billion (est. 2023)
 Currency: EURO (EUR)
 Language: Slovak

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Summary

Slovakia is a country of 5.4 million people and is strategically located at the geographic heart of Europe. The Slovak market is dominated by the automotive, electronics, engineering, tourism, and service industries. In addition to its strategic location and educated population, Slovakia's stable macroeconomic policies have made it a good place for U.S. exporters to do business. Slovakia adopted the euro (EUR) as its currency on January 1, 2009, becoming the 16th member of the European Monetary Union. Slovakia has a stable sovereign credit rating and its financial outlook, though lowered because of supply global chain issues and the conflict in Ukraine, remains positive according to Moody's and S&P. U.S. exports to Slovakia in 2022 totaled USD 687 million according to Eurostat, and U.S. imports from Slovakia in 2022 totaled \$6.53 billion, according to U.S. census data. As of 2021, total Foreign Direct Investment (FDI) to Slovakia stood at more than \$57.23 billion, with U.S. FDI estimated at approximately \$ 176 million in 2021. For the same period, total Slovak direct investment to the U.S. stood at \$21 million. The primary U.S. imports from Slovakia are Volkswagen, Audi, and Porsche sports utility vehicles that are manufactured at the Volkswagen plant in Bratislava. Slovakia's top thirteen trading partners in 2022 were Germany, the Czech Republic, Poland, Hungary, Austria, France, Italy, China, Russia, Netherlands, South Korea, Romania, and United States in order of highest Slovak total trade values.

Plastics play a significant role in various aspects of daily life and industrial processes in Slovakia. This report aims to provide an overview of the plastics and rubber industry in Slovakia, including its current status, challenges, and future prospects. The plastics and rubber industry in Slovakia encompasses a wide range of activities, including manufacturing of plastics and rubber products as well as plastic components for various sectors such as automotive, construction, metal-working, electronics, packaging, consumer goods and medical sector.

As of 2022, there were about 439 companies manufacturing plastics and rubber, primarily concentrated in Bratislava region, employing 28,000+ workers. Majority of companies are small and medium-sized, having up to 100 employees. In 2022, the overall chemical industry employed more than 41, 000 people. Total revenues of these companies reached \$6.6 billion. The table below shows an overview of revenues for industrial sectors linked to the plastics and rubber industry.

Total Revenues in USD billion

Statistical Classification of Economic Activities/NACE code	2020	2021	2022
29 Manufacture of Motor Vehicles	30.4	32.6	38.1
24 Manufacture of Basic Metals	4.2	7.7	1.0
28 Manufacture of Machinery and Equipment	5.1	6.1	8.4

<i>25 Manufacture of fabricated Metal Products</i>	4.2	4.9	7.0
<i>22 Manufacture of Plastics and Rubber Products</i>	4.1	4.6	6.6

According to the Global Trade Atlas database, in 2023 Slovakia imported \$2.7 billion in plastics and articles of plastics under HS Chapter 39. Czech Republic was the main supplier, having imported portion of \$561 mil. in HS Code 39, followed by Germany (\$482 mil.), Poland (\$282 mil.) and Hungary (\$226 mil.). 2023 U.S. exports to Slovakia represent \$10.7 million. In 2023 Slovakia exported \$3 billion under HS 39.

Market Entry

Slovakia is a small country located in the Central Europe. Market entry strategies are no different than in any other EU country including the following:

- Direct Exporting: Selling goods directly to Slovakian buyers, leveraging existing sales networks or establishing new contacts through the trade shows and exhibitions.
- Joint Ventures: Forming strategic partnerships with local companies or distributors to leverage their market knowledge, networks, and resources.
- Setting up a subsidiary, branch office, or representative office in Slovakia to oversee sales, distribution, and customer support activities.

U.S. Commercial Service in Bratislava is open to giving a helping hand in selecting appropriate market entry strategies based on business objectives and market dynamics.

Current Demand

The plastics and rubber industry in Slovakia is a vital component of the country's industrial landscape, contributing to economic growth, employment, and innovation. While challenges exist, proactive measures by industry players and government support are expected to sustain growth and foster competitiveness in the global market. The outlook for the plastics and rubber industry in Slovakia appears promising. Key growth drivers such as increasing demand for lightweight materials, technological advancements, and government support are expected to fuel growth in the coming years. Additionally, opportunities in emerging sectors such as electric vehicles and renewable energy offer new avenues for expansion.

Slovakia is a significant hub for automotive manufacturing, with several global automotive companies having production facilities in the country. Plastics are extensively used in the production of automotive components such as interior parts, exterior panels, bumpers, and engine components. The demand for lightweight materials to improve fuel efficiency and reduce emissions further drives the use of plastics in the automotive sector. The packaging industry represents one of the largest consumers of plastics in Slovakia. With the growth of e-commerce, food and beverage, and retail sectors, there is a rising demand for flexible and rigid plastic packaging solutions. Plastics play a crucial role in the construction industry, where they are used for pipes, insulation materials, roofing materials, windows, and doors.

The construction sector in Slovakia has witnessed steady growth, supported by infrastructure development projects, residential construction, and renovation activities, thereby driving the demand for plastic construction materials. Plastics are all-over in consumer goods and electronics manufacturing, with applications ranging from household appliances to electronic devices. Slovak government has implemented various initiatives to support the plastics and rubber industry, including investment incentives, funding for research and innovation, and policies promoting environmental sustainability.

Main Competitors

Chemical industry has traditionally been one of the largest sectors of Slovak economy. Unlike in some other countries, the output of the Slovak chemical industry does not consist of one product or a group of few products but includes a diversified portfolio of hundreds of different products, ranging from petrochemicals, agrochemicals, and primary organic/ inorganic chemicals to rubber and plastic products. The main players within the plastics and rubber

industry include Plastika Nitra, Continental Matador, Contitech Vibration Control, SaarGummi, Terichem Tervakoski, Polycasa, Jasplastik, Thermoplastik. Additional list of local main competitors can be reviewed at the webpage of Slovak Plastic Cluster: www.spklaster.sk and The Association of Chemical and Pharmaceutical Industry www.zchfp.sk

Market Issues and Obstacles

Slovakia is a member of the European Union. US firms exporting to Slovakia need to comply with local and European regulations such as the CE mark required for machinery, and REACH (Registration, Evaluation and Authorization of Chemicals). Competition from low-cost plastic manufacturers causes difficulties for companies in terms of pricing and profitability. Inadequate recycling infrastructure and limited capacity for plastic waste management pose challenges for recycling efforts, leading to concerns about waste disposal and environmental pollution. In 2021, the EU implemented Single-Use Plastics Directive restricting the use of single-use plastics. This directive actively addresses challenges for plastic manufacturers and users, requiring adaptation to alternative materials and sustainable practices.

Trade Events & Resources

Name of Event: International Engineering Fair

Date: TBD

Location: Nitra, Slovakia

Website: www.agrokomplex.sk

Description: 29th international engineering fair of machinery, tools, equipment, and technologies

Slovakia Country Commercial Guide

Spain



Capital: Madrid
Population: 47 million
GDP: USD 1.4 trillion
Currency: EUR
Language: Spanish

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Summary

Spain's plastics industry ranks fourth in Europe (after Germany, France, and Italy) and eighth in the world (after China, the United States, India, and Japan). The plastics industry is comprised of just over 3,700 companies, mostly SME's, in total employing 125,000 people. In 2022, the plastics industry's sales volume was estimated EUR 27.7 billion, which accounted for 2.3% of Spain's total industrial product sales.

The Spanish plastic industry has experienced a series of industrial, economic, and social transformations in the last several years that have placed it at the center of the regulatory and public discussion. The changes are driven by the implementation of European legislation into Spanish law, including the waste and contaminated soil regulation (7/2022), the royal decree on packaging and packaging waste (1055/2022), and the plastic tax on non-reusable single-use plastic packaging material. Each has had a significant impact on companies in the sector.

Plastic Materials

After a decrease in 2020 due to the pandemic, the total European production increased to 57.2 million tons in 2021. Spain produced around 5.3 million tons of plastic materials in 2021 (including standard plastics, technical, and thermosets, among others) which represented 7.5% of European production. The most used raw materials are HDPE (high density polyethylene), PE (polyethylene), and LDPE (low density polyethylene). The plastics materials industry is represented by a small group of companies, mostly located on the around Tarragona and Barcelona on Spain's eastern Mediterranean coast.

Plastic Processing

The majority the Spanish plastic companies are focused on plastics processing, accounting for 3,374 companies, including 168 companies that manufacturer machinery and equipment for production and 162 companies that recycle this material. In 2021, local industry processed plastics in value of EUR 22.6 billion, an increase of 15% over 2020. Companies are mainly small- and medium-sized with an average of 10 employees per company. Only about 30 companies, such as Plastipak (U.S.), are large firms. The main industry consumers of plastic materials are packaging (43.5%), automotive (18.9%), construction (18.2%), electricity and electronics (1.6%), and others (17.8%). The packaging sector has a total value of EUR 6.3 billion, an increase of 18.5% in 2021 over the previous year. European Union countries take most Spanish exports (8%), followed by Africa and the United States. In 2021, the sale of plastic products in the construction industry growth of 21.4% over the previous year with EUR 2.8 billion, the highest growth of all sectors since 2009.

Plastic Machinery

In terms of companies, the most represented subsector for the plastic machinery in the Spanish market is injection machinery with a consumption of EUR 102 million in 2021. Although the number of companies is relatively small,

Spain has a wide range of machinery that accounts for nearly every type of production process. There is a high level of foreign investment in this sector. Competition mainly comes from German and Italian companies, as well as some firms from Asia. The Spanish consumption market for plastic machinery and molds reached EUR 436 million in 2021, including EUR 282 million of imported equipment.

Plastic Recycling

The plastic industry has embraced recycling and has made Spain the second leading country in terms of recycling. The amount of plastic processed in recycling plant in Spain exceeded 1.3 million tons in 2021, only behind Germany (2 million tons). The mechanical recycling plants in which consumer products are treated recycled 1.12 million tons (79% of the material processed), which shows its high capacity and the upward trend in Spain of reintegration of waste into raw material. The Spanish plastic sector has become a powerful industry that has been able to recover after the pandemic and the complicated international situation in recent years, which has led higher energy costs, increased prices of raw materials, and problems in the supply of components.

Market Entry

Direct purchase or B2B marketplaces, wholesalers, distributors, or professional agents are the main distribution channels in Spain for plastic materials and equipment. For plastic machinery, a partnership or joint venture with repair capabilities and spare part availability is necessary. Madrid and Barcelona are the two major hubs for the regional market. Most agents, distributors, foreign subsidiaries, and foreign trade related entities are present in these two cities. Price is an important factor in most transactions, as are quality and supplier reliability. Customs duties for plastic materials vary between 5% and 6.5%. In addition to import duties, a 21% Value Added Tax (VAT) must be paid at the point of entry.

Current Demand

Environmental concerns were some of the main reasons for the increase in demand for biodegradable plastics. Europe and Spain will focus on using renewable energy sources in the production of plastics, as well as technologies that will allow better plastic recyclability. Innovative technologies for application in the packaging, automotive, and medical industries will also be pursued.

Market Issues and Obstacles

U.S. firms exporting to Spain need to comply with local and European regulations, such as the CE mark required for machinery and REACH (Registration, Evaluation, and Authorization of Chemicals). Import procedures are governed by international trade regulations. Technical specifications are essentially established by the EU since Spain has incorporated those specifications into their regulations. Information on standards can be obtained from the Spanish Association of Standards and Certification (AENOR) found at <http://www.aenor.es/>.

New Spanish Plastic Packaging Tax

Non-reusable Plastic Packaging Tax entered into force on 1 January 2023 in Spain. This tax will be due to manufacturers, importers, and EU purchasers of non-reusable plastic packages for its use within the Spanish market. The new tax, as per Article 78 of the Law, is Euros 0,45 per Kilogram for non-recycled plastic packaging. It applies to any single-use packaging defined as presenting, containing, protecting, handling, or distributing goods, both empty and filled packaging within the scope of the tax. Semi-finished plastic products are also included within the scope of the tax if intended to produce non-reusable packaging (e.g., thermoplastic sheets) along with plastic products aimed to facilitate the closing, trading, or presentation of non-reusable containers. The Spanish authorities have confirmed that all packaging types (primary, secondary, and tertiary packaging) are all considered within scope.”

Spanish Official Gazette <https://www.boe.es/buscar/act.php?id=BOE-A-2022-5809>

Ministry for the Ecological Transition and the Demographic Challenge - <https://www.miteco.gob.es/The>

Trade Events & Resources

EQUIPLAST: The International Plastics and Rubber Event

Location: Fira de Barcelona, Barcelona, Spain

Last show: October 2023

Next exhibition: June 2026

Description: This trade show held every three years in Barcelona for all the sectors of plastic and rubber to promote solutions on the global challenges related to the impact on the environment. More information at <http://www.equiplast.com>.

Spanish Plastics Association (ANAIP): www.anaip.es

Technological Institute of Plastic (AIMPLAS): www.aimplas.es

Spanish Center of Plastics (CEP): www.cep-plasticos.com

Spanish Association of Plastic Recycling (CICLOPAST): www.ciclopast.com

Spanish Chemical Business Federation (FEIQUE): www.feique.com

EsPlasticos: <https://esplasticos.es/>

[Spain Country Commercial Guide](#)

Türkiye



Capital: Ankara
Population: 83 million (est.)
GDP: USD 907 billion (est.)
Currency: Turkish Lira
Language: Turkish

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Summary

The plastics industry is one of the youngest and most rapidly developing manufacturing industries in Türkiye. The Turkish plastics industry holds a 2.9% market share of the international plastics industry, ranking sixth worldwide with its process capacity, and second in Europe following Germany.

Plastic production has very high potential in Türkiye. In 2023, this potential was realized by exporting plastic products to over 200 countries. In 2023, the Turkish plastics industry produced 10.9 million tons for export with a value of \$45.3 billion. Production increased by 4% in value terms when compared to the year before. Approximately 2.613 million tons were exported indirectly in the form of semi-finished and finished products, i.e. automotive, packaging, construction, and electronics. In addition to exports of plastic products, investment in machinery and equipment was \$1.7 billion in 2023. During the period 2018-2023, there was an average of \$1.3 million of machinery and equipment investment in the plastics industry, 20% for presses and other machines, 20% injection-molding machinery, 4% extrusion, 4% thermoform, 2% in blow molding, and 17% for parts. (PAGEV, 2023)

The industry currently employs more than 300,000 people. There are nearly 14,000 manufacturers and almost 99% are small and medium-sized enterprises (SMEs). Of the manufacturing companies, the majority are in the processed-plastic products field and 6,400 of these firms operate at the fabrication level with employees numbering 10 or higher.

Market Entry

Türkiye's January 1, 1996, accession to the European Union's customs union has resulted in zero duties for imports from the EU countries, and the same agreement has led to general reductions in duty rates assessed on non-EU imports. All imports of plastic-processing machinery from non-EU countries are subject to a 1.7% customs duty, whereas customs duty for the majority of plastic processed products is 6.5%. The Customs duty for plastic raw materials like Polypropylene (PP) from non-EU countries like, is also 6.5%. These duties are assessed on CIF prices.

As part of the same agreement, all technical specifications that are required in the EU countries also apply in Türkiye, including ISO, CE Mark, and similar. In Türkiye, both imported, and locally manufactured products are subject to an additional 18 to 20% percent value-added tax (VAT). VAT is also calculated based on the CIF value for imported products.

Before entering the Turkish market, U.S. companies should consider their own resources and long-term business strategies. For many companies, representation in Türkiye by a Turkish agent, distributor, liaison office, or business partner will support success in the market. A local partner can provide knowledge of the local regulatory framework, language assistance, and valuable business contacts. As business develops, companies may establish subsidiaries and make further local investments to expand their market share.

CS Türkiye offers programs and services to help U.S. businesses establish a foothold in the market and develop appropriate contacts. CS Türkiye's Commercial Specialists possess decades of industry expertise. They can direct your business approach to the target audience and provide advice on your business strategy in Türkiye. To find out more about how the U.S. Commercial Service (CS) can assist you in entering this important market, please visit the CS Türkiye website (www.trade.gov/turkiye).

Current Demand

Opportunities remain in the plastic raw materials market. The imports of plastic raw materials totaled \$12 billion and plastic materials totaled \$4 billion in 2023. Of the total raw material imports of Türkiye, Polyethylene and Polypropylene imports totaled 56% by amount and 50% by value in 2023. The table below breaks down the local import shares of Türkiye's plastics raw materials supply. (PAGEV 2023)

HS Code	Type of plastic raw material	Imports (% by value)
3901	Polypropylene	25
3902	Polyethylene	25
3904	Polyvinyl chloride	8
3907	Polyacetals, other polyethers and epoxide resins, in primary forms	11
	Other Materials	31
TOTAL	\$12 billion	

Source: PAGEV

On the other hand, the plastic final product imports of Türkiye increased from \$3.8 billion in 2022 to \$4 billion in 2023. Of the total final plastic product imports of the country plates, sheets, film, foil, and strip, except self-adhesive of plastics (HS 3920) ranked top import product by 45% value with \$1.2 billion in 2023. In the processed plastic products market, the following products can be marketed effectively: plastic sheets, self-adhesive sheets, foils, strips and films and other flat sheets of plastic, tubes, hoses, pipes and fittings, kitchenware, and other household goods of plastics. (PAGEV 2023)

Moreover, the import of plastics processing machinery increased by 27% over the previous year and resulted in a total of \$926 million. The share of the top imported machineries listed as injection machines 29%, extrusion machines 17% blow molding machines 2%, thermoforming machines 2%, presses and other machines 42% and parts and components 8%. (PAGEV 2023)

Main Competitors

Kingdom of Saudi Arabia (KSA), South Korea and Russia were among the top three sources of imports into Türkiye for plastic raw materials. The U.S. ranked as the 4th largest source of raw plastic material imports into Türkiye. Moreover, respectively China, Germany and Italy ranked as the top 3 import markets for Turkish plastic processing machinery and also the top plastics final product supplier countries in 2023. These markets hold 77% market share for the total imports of plastic processing machinery into Türkiye.

Market Issues and Obstacles

Türkiye's imports are regulated by an annual import regime published by the Ministry of Trade. The Import Regime sets forth import rules and regulations for the year, customs duties, and surcharges on imported products.

Trade Events & Resources

Event: Plast Eurasia İstanbul 2024

Date: 04-07 December 2024

Location: TUYAP Fuar ve Kongre Merkezi, Buyukcekmece-Istanbul

Website: <http://www.plasteurasia.com>

Description: Plastics Industry Fair, 33rd year.

Event: Kaucuk Avrasya

Date: 2025 TBD

Location: TUYAP Fuar ve Kongre Merkezi, Buyukcekmece-Istanbul

Website: <https://www.kaucukistanbul.com/>

Description: Rubber, raw materials, and machinery, 11th year

SOURCE

PAGEV – Turkish Plastic Industry Foundation, <https://pagev.org/>

<https://pagev.org/turkiye-plastik-sektor-izleme-raporu-2023>

<https://pagev.org/turkiye-plastik-enjeksiyon-makineleri-raporu-2023>

Türkiye Country Commercial Guide