

OVERVIEW ON INDIA'S EXPORTS: Chapter 28 (Inorganic Chemicals)

Market Facilitation Services (MFS): A Trade and Investment Consultancy by CII



Confederation of Indian Industry

Market Facilitation Services

Market Facilitation Services (MFS) is an initiative of CII towards enhancing competitiveness and creating business opportunities for Indian industry.



100+

Years of cumulative consulting experience



50+

Years of strategy and operations advisory



8

{ Australia, Egypt, Germany, Indonesia
Singapore, the UK, the USA and the UAE

Global Representatives for ground level insights

Our Approach & Methodology

Industry Knowledge

Leveraging of experience from past projects and network of subject matter experts and sector specialists

Global Network

Leveraging of on-ground connects with foreign government stakeholders, sectoral associations, IPAs, etc.

Subscribed Database

- D&B Hoovers, Commodities Intelligence Center (CIC)
- Thomson Data, ISI Markets

Research and Analysis

- Primary data from CII Members
- Secondary data from multilateral agencies

Why CII ?



Confederation of Indian Industry

- Industry connect with 9000+ members
- 65 Offices in all regions of India
- Institutional partnerships with 350 counterpart organizations in 133 countries

Our Services



Assessment of Export Markets



Market and Sectoral Analyses



Market Entry/ Investment Advisory



Potential Partner & Buyer Identification

MFS is a fee-based, bespoke market research advisory platform offering a wide spectrum of services.

Geographies Addressed in Past Projects



Canada
Market Entry



Philippines
Market Entry



Netherlands
India Market Entry



USA
Investor Targetting



Vietnam
Market Entry



Ethiopia
Market Entry



Egypt
Sectoral Analyses



Indonesia
Sectoral Analyses

Projects Installed
as Recommended **75%**

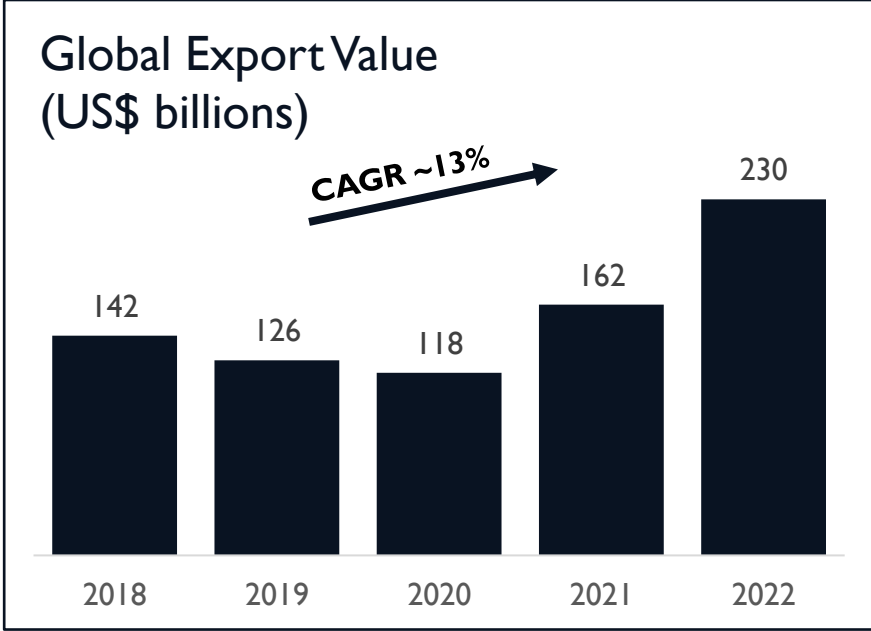
Projects Delivered
on time **98%**

Overview : Global Chemical Exports in Chapter 28

- ❑ The chemical products’ export market, marked by dynamic growth trends and shifting global leadership positions, has experienced an impressive CAGR of ~13% over the five-year period from 2018 to 2022, culminating in an export value of US\$ 230bn in 2022. This growth has been propelled by technological advancements, regulatory changes and evolving consumer demands.
- ❑ China remains the global leader as an exporter of chemical products, boasting a commanding 17% share of the global export value. Over the five years under consideration, China’s dominance has surged from 14% in 2018 to 17% in 2022.
- ❑ Of the top five countries (shown in table below), Korea has demonstrated remarkable growth, with its chemical sector product exports increasing from US\$ 5.5bn in 2018 to US\$ 15.6bn in 2022, at a CAGR of 30.6%. It is assumed that if this growth trajectory persists, Korea is poised to surpass the United States in the coming years.

Glimpse of Global Export Chapter 28	
2022 Global Export Value	US\$ 230bn
Total Exporting Countries	~200
Total Importing Countries	~226
Total Products @ HS6 Level	211
Global Export CAGR, 2018–22	~13%
Trade Balance, 2022	US\$ ~1.3bn

Exporting Countries	2018 Export Value (US\$ billions)	2022 Export Value (US\$ billions)
China	20.2	39.4
USA	12.4	16.8
Korea	5.5	15.6
Germany	9.3	15.3
Japan	5.8	10.4



Overview : India’s Export of Chemical Products in Chapter 28

- ❑ Despite being the 6th-largest chemical products’ manufacturer in the world and the 3rd-largest in the APAC region, India is ranked at a low 19th position in chemical sector products’ exports from chapter 28. This indicates that while India has significant production capabilities, there are certain headwinds that prevent the country from effectively translating production into export competitiveness.
- ❑ In 2022, India’s chemical sector saw exports totaling US\$ 3.2bn, with a dominant 56% share going to the EMEA region. Among the top importers were several Middle Eastern nations, with USA following closely as the second-largest importer, alongside Russia.
- ❑ Pre-Covid, India’s exports CAGR for chemical sectors products was moderate at ~7% over the period 2015–2020; however, post Covid, exports of chemicals products by India registered a significant increase of ~32%, increasing from US\$ 2.41bn in 2021 to US\$ 3.18bn in 2022, possibly on account of companies adopting a China+1 strategy in the wake of the spread of the Covid-19 pandemic.

Glimpse of India’s Export Status For Chemical Products: Chapter 28

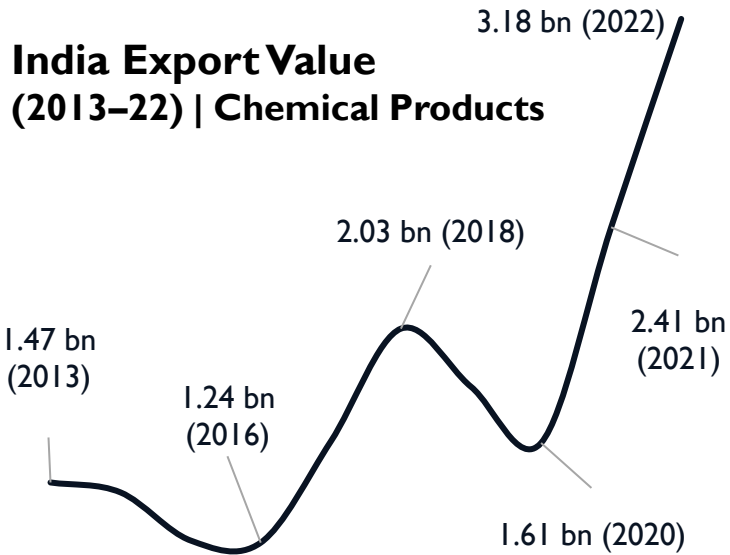
2022 India Export Value	US\$ 3.2bn
India Global Export Rank	19
India Global Export Share	1.4%
India’s Importer Countries	183
Export CAGR, 2018-22	11.8%
Trade Balance, 2022	US\$ -9.5bn

India’s Global Export Share



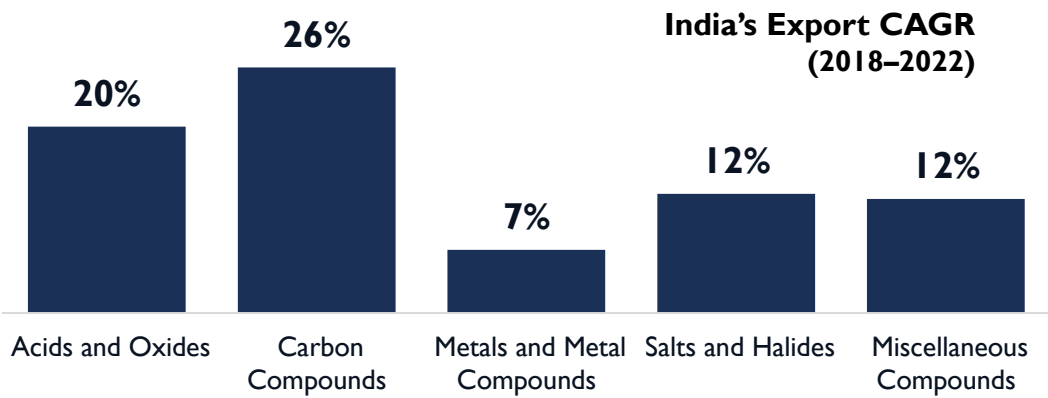
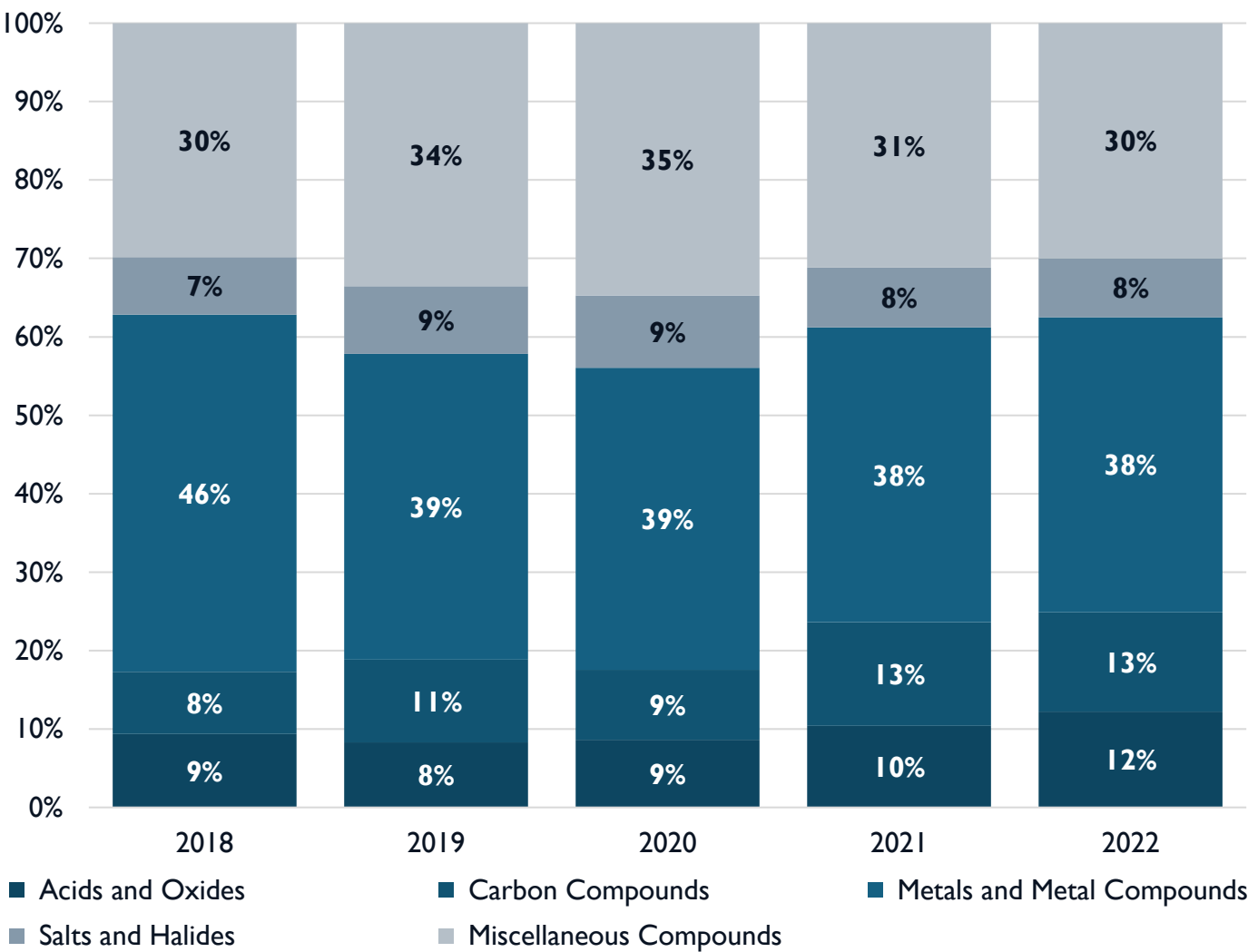
AMERICA **13%** EMEA **56%** APAC **31%**

India Export Value (2013–22) | Chemical Products



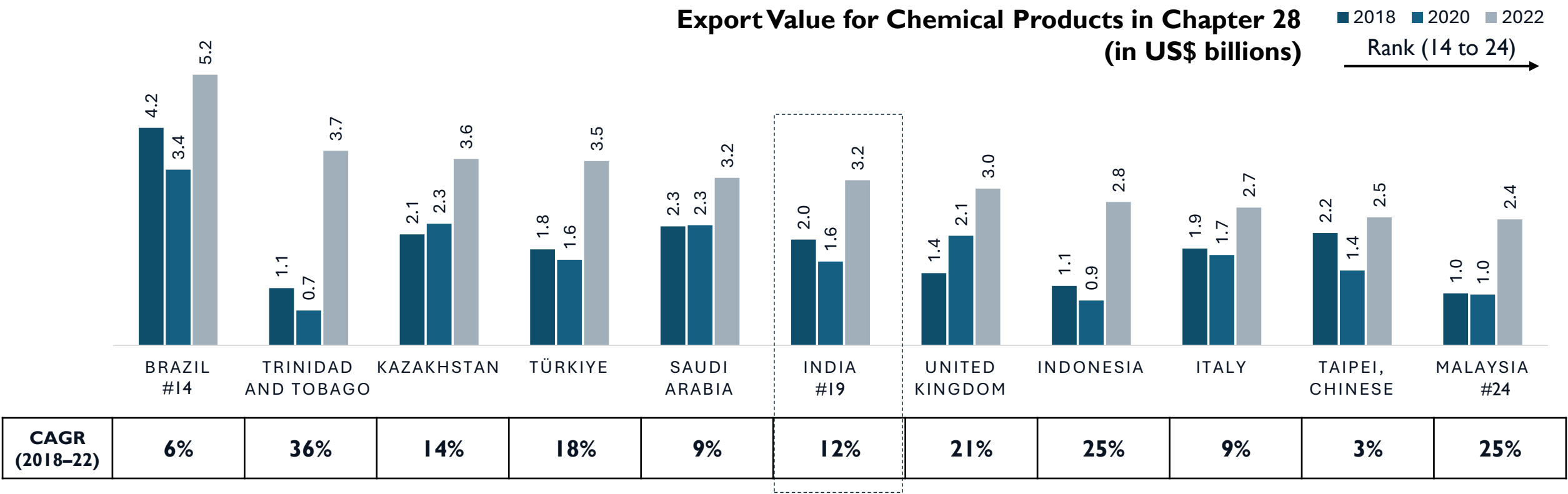
India Export Growth Summary

India's Export Share by Product Category



- ❑ The composition of India's chemical sector products' exports in Chapter 28 has remained stable during the period under consideration, from 2018 to 2022, showing no significant fluctuations.
- ❑ The categories of 'Acids and Oxides' and 'Carbon Compounds' have seen a notable rise in their share of India's total exports of chemicals products, reaching US\$ 388mn and US\$ 403mn in 2022, respectively.
- ❑ With the exception of 'Metals and Metal Compounds', all other product categories have experienced double-digit export CAGRs over the period under consideration. However, despite the share of 'Metals and Metal Compounds' in India's total exports of chemical products declining from 46% in 2018 to 38% in 2022, this category continues to claim the largest share of India's export basket in the chemical products segment.

India's Competitors

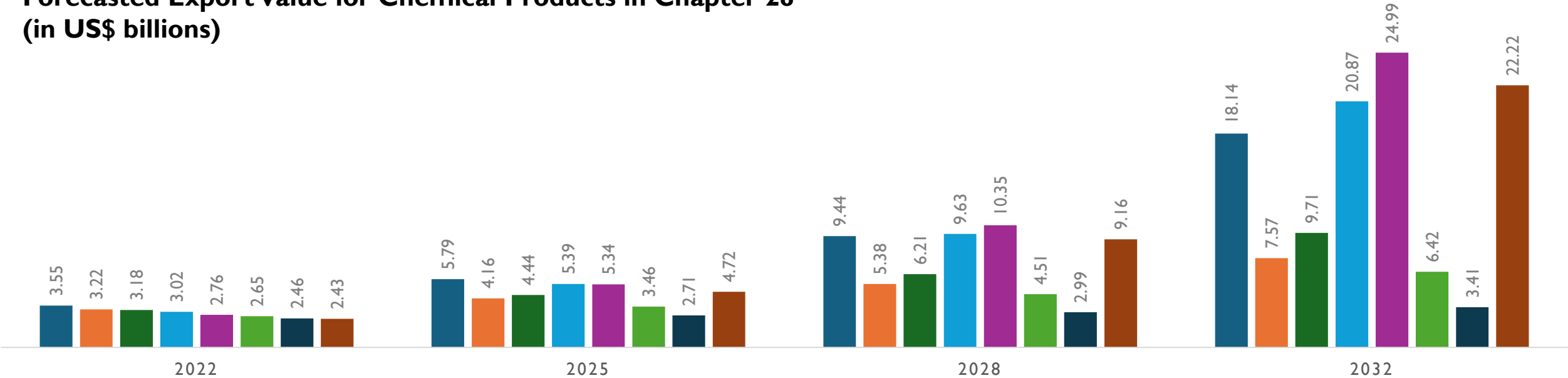


- Over the five years under consideration (2018 to 2022), India's export CAGR (11.8%) is near about the global export average (12.8%), while competing countries as Kazakhstan,Türkiye, UK and Indonesia recorded export CAGRs of 14%, 18%, 21% and 25%, respectively.
- In the five years under consideration, Türkiye has succeeded in overtaking India in exports of chemical products, reporting a US\$ 3.54bn export value in 2022 and increasing its ranking from 20th in 2018 to 17th in 2022. If India's CAGR for export of chemical products does not improve in the coming years, both the UK and Indonesia are projected to surpass India's export value for this sector by 2027.

India's Competitors

Türkiye Saudi Arabia India United Kingdom Indonesia Italy Taipei, Chinese Malaysia

Forecasted Export Value for Chemical Products in Chapter 28
(in US\$ billions)



- Forecast analysis highlights dynamic shifts in the export values of various countries over the years, indicating evolving trade patterns, emerging players and potential areas for further exploration and strategic focus in international trade relations.
- With the assumption that India's export CAGR for chemical products will be around 12%, the forecast is that India will touch achieve an export value of US\$ ~9.7bn for chemical products in 2032, while competitors like the UK, Indonesia and Malaysia will achieve export values of US\$ ~20.8bn, US\$ ~24.99bn and US\$ ~22.22bn, respectively.
- In 2032, it is predicted that India's ranking will slip from the 19th to the 20th position, while countries such as UK, Indonesia and Malaysia are projected to hold positions of 17th, 15th and 16th, respectively.



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Would like to **EXPLORE** more ?

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