

2022

Trade Analysis Series

Pakistan Plastics Products



Turn Potential into Profit!

Small and Medium Enterprises Development Authority (SMEDA)
Ministry of Industries and Production
Government of Pakistan

www.smeda.org.pk

UAN: 111 111 456



1. Product Description

Plastic is a material consisting of any of a wide range of synthetic or semi-synthetic organic compounds that are malleable and so can be molded into solid objects. It resembles diverse materials such as metal, wood, glass, stone, cloth, rubber, cardboard and leather etc, hence can replace them in usage. In view of rapidly depleting natural resources, plastic products are becoming a smart alternative in everyday life. Similarly, plastic industry is emerging as one of the fastest growing sectors in Pakistan.

The Harmonized Commodity Description and Coding System (referred as HS Codes) designated for trade of Plastics and Articles Thereof is 39. The brief description of sub categories falling with-in product category of HS 39 is provided in the following table:

Table 1: Product Details of Plastics and Articles Thereof

Product Category HS Code	Product Description
3901	Polymers of Ethylene
3902	Polymers of Propylene
3907	Polyacetals, Polyethers and Epoxide Resins
3920	Plates, Sheets, Film, Foil and Strip
3904	Polymers of Vinyl Chloride and Halogenated Olefins
3919	Self-adhesive Plates, Sheets, Film, Foil, Tape and Strip
3923	Packaging with Stoppers, Lids and Caps
3906	Acrylic Polymers
3912	Cellulose and Chemical Derivatives
3903	Polymers of Styrene
3909	Amino-resins, Phenolic Resins and Polyurethanes
3910	Silicones
3905	Polymers of Vinyl Acetate and Vinyl esters
3917	Tubes, Pipes, Hoses and Fittings
3913	Natural and modified natural Polymers
3925	Builders' Ware of Plastics
3915	Waste, Parings and Scrap
3924	Tableware, Kitchenware and Household Articles
3908	Polyamides



3918	Floor Coverings of Plastics (Rolls & Tiles)
3911	Petroleum, Coumarone-indene Resins, Polyterpenes, Polysulphides and Polysulphones
3916	Monofilament (cross-sectional dimension > 1 mm)
3922	Baths, Shower-baths, Sinks, Washbasins, Bidets, Lavatory Pans, Seats and Covers

2. Global Trade of Plastic Products

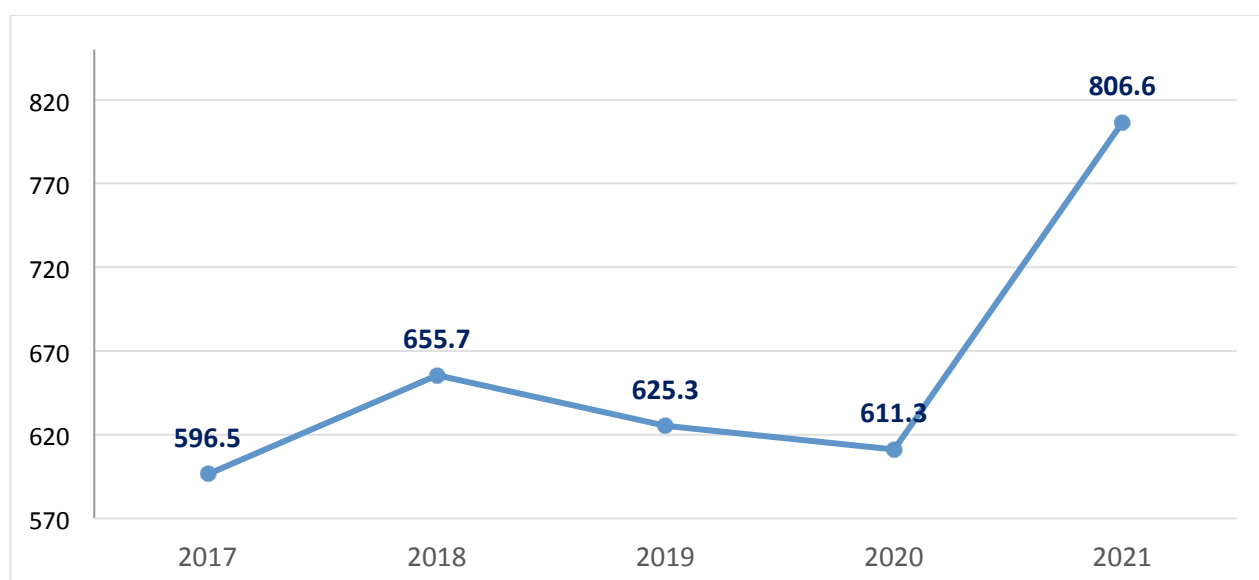
Plastic Products are one of the most important commodities in international trade. During the year 2021, the international trade value of Plastics was US \$ 804.22 Billion. The exports have shown an increasing trend from the year 2017 - 21. The last five years' global exports of Plastic Products in global trade are as follows:

Table 2: Global Exports of Plastic Products - Last 5 Years

Description	2017	2018	2019	2020	2021
World Exports (Value in US \$ Billion)	596.5	655.7	625.3	611.3	806.6
Growth %age	9.71%	9.92%	-4.64%	-2.24%	31.95%

Source: Trade Map

Figure 1: Growth Trend of Plastic Products Exports (Value US \$ Billion)



Major Exporters

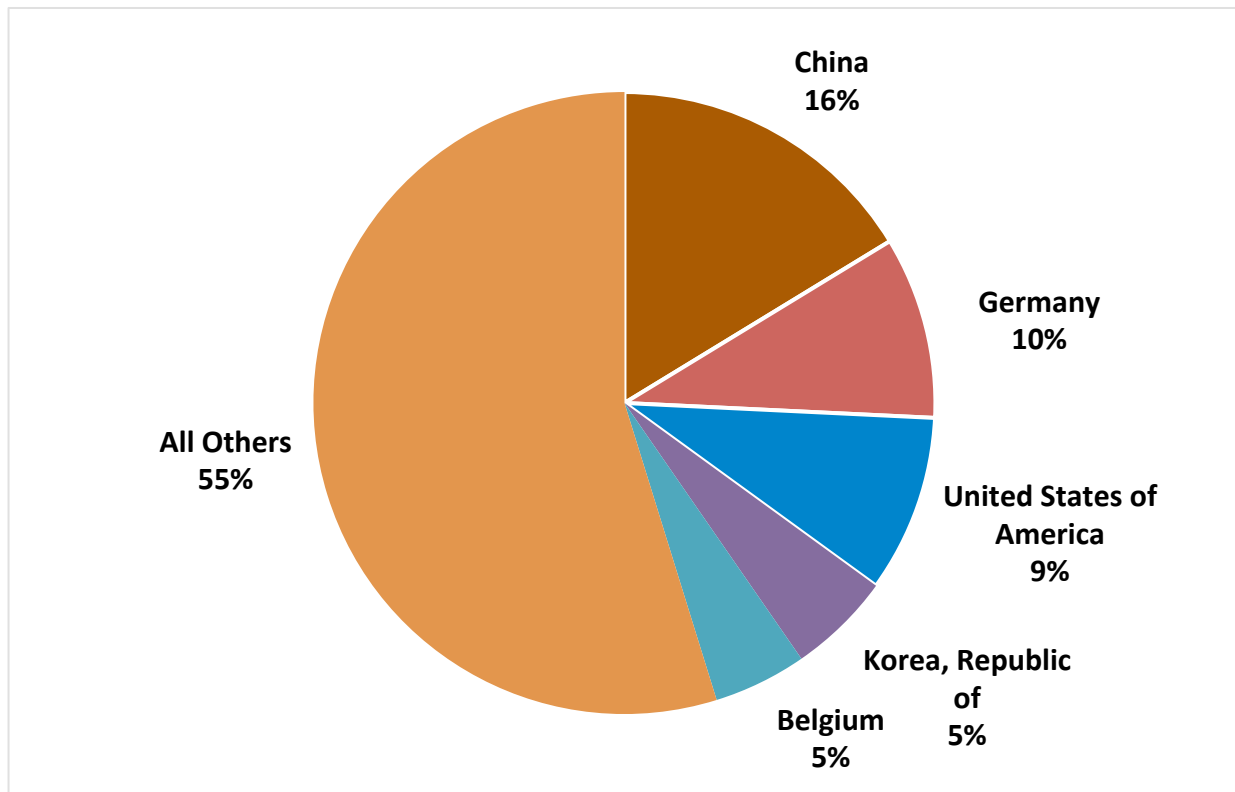
During the last 5 years, the exports of Plastics Products have been dominated by China, followed by Germany. The percentage share of the five biggest exporting countries is given in the following table:

Table 3: Major Exporters in 2021

Country	Share in world Exports (Value in US \$ Billion)	Growth in exported value between 2017-2021 (% , p.a.)
China	131.07	15
Germany	76.29	3
United States of America	74.31	3
Korea, Republic of	43.20	5
Belgium	38.97	4

Source: Trade Map

Figure 2: Major Exporters in 2021 (Value US \$ Billion)

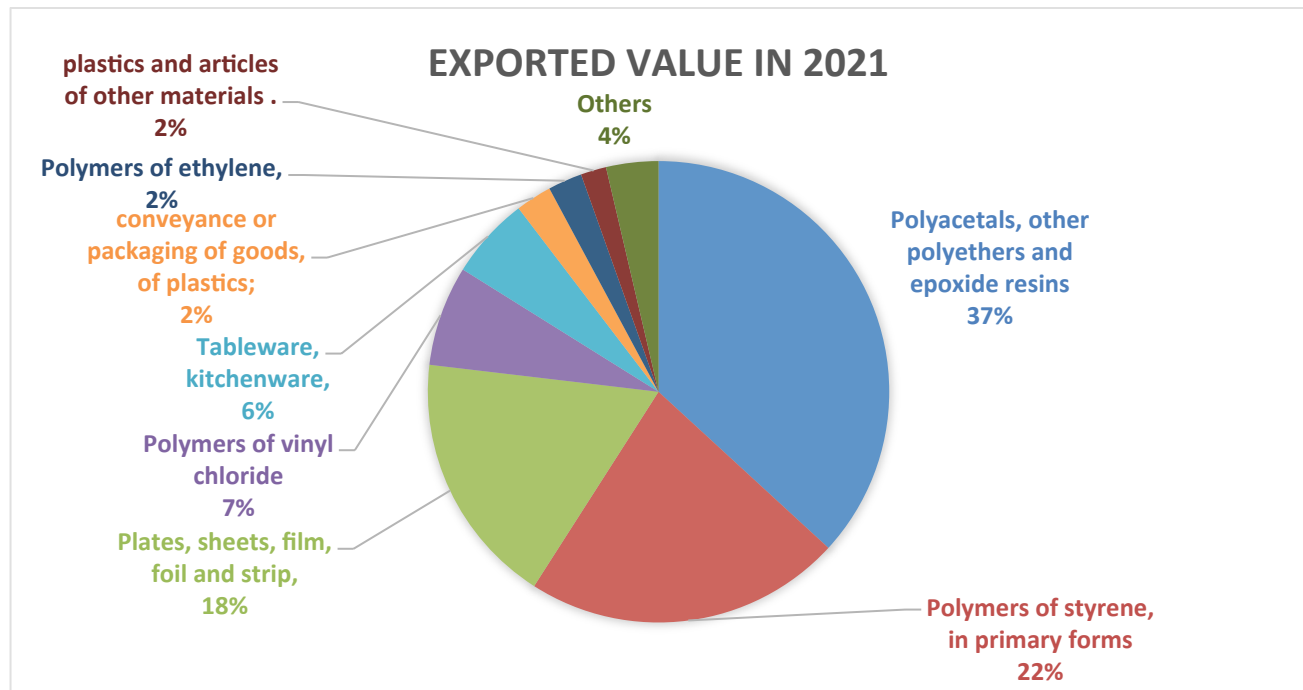


Source: Trade Map

Product Mix - Share in Exports

Polyacetals, other polyethers and epoxide resins, are the most exported category of Plastic Products in terms of global trade followed by Plates, Sheets, Film, Foil and Strip. This is quite evident from the percentage share of different product categories in exports, as exhibited below:

Figure 3: Product Mix of Plastic Products Export



Source: Trade Map

3. Pakistan's Exports

Plastic Products are one of the emerging export commodities of Pakistan. Over the last five years, export figures have shown decline, however showing a negative trend in last 5 years from the year 2017-21. The major reasons for this are:

- Absence of locally made dyes & molds and locally manufactured new materials.
- Technological obsolescence and lack of availability of modern technology.
- Quality certification and testing facilities.
- Lack of value addition and R&D.
- Non-availability of skilled man power, training institutes and skill development programs.
- Traditional design and lack of innovation.
- Volatile raw material prices due to currency depreciation and inconsistent supplies.

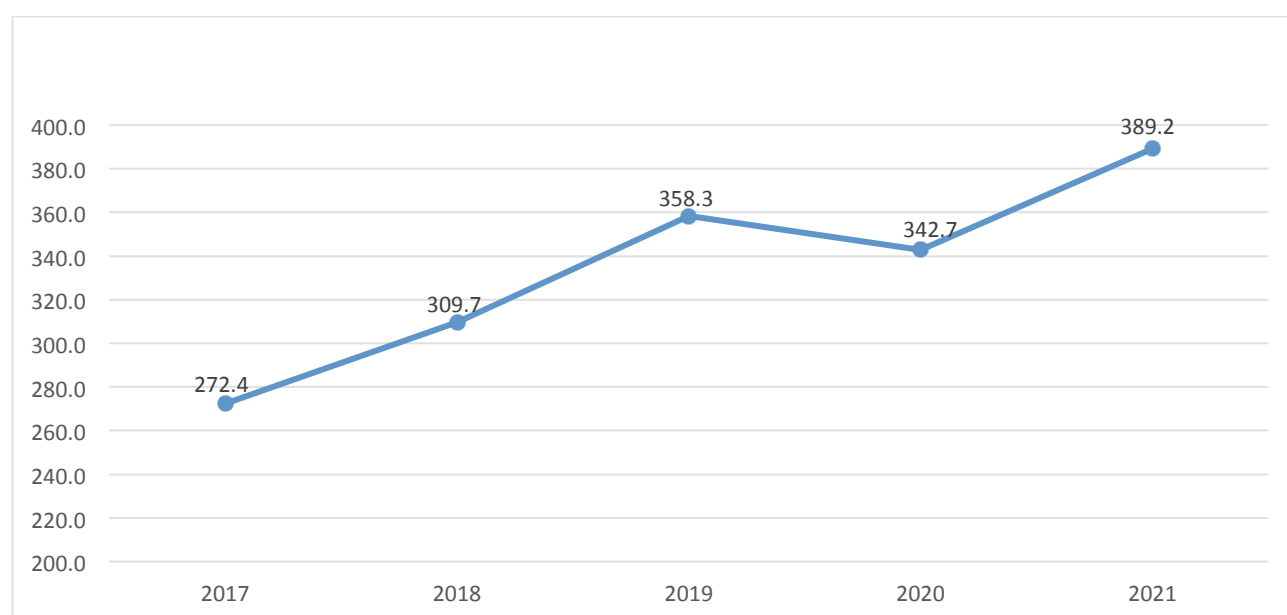
Despite all these, the export potential of this commodity cannot be overlooked. During the year 2021, the exports value of Plastic Products was US \$261.09 Million. Pakistan's last five years' export figures are as follows:

Table 4: Pakistan Exports Plastic Products - Last 5 Years

Description	2017	2018	2019	2020	2021
World Exports (Value in US \$ Million)	272.403	309.735	358.253	342.738	389.171
Growth %age	2%	14%	16%	-4%	14%

Source: Trade Map

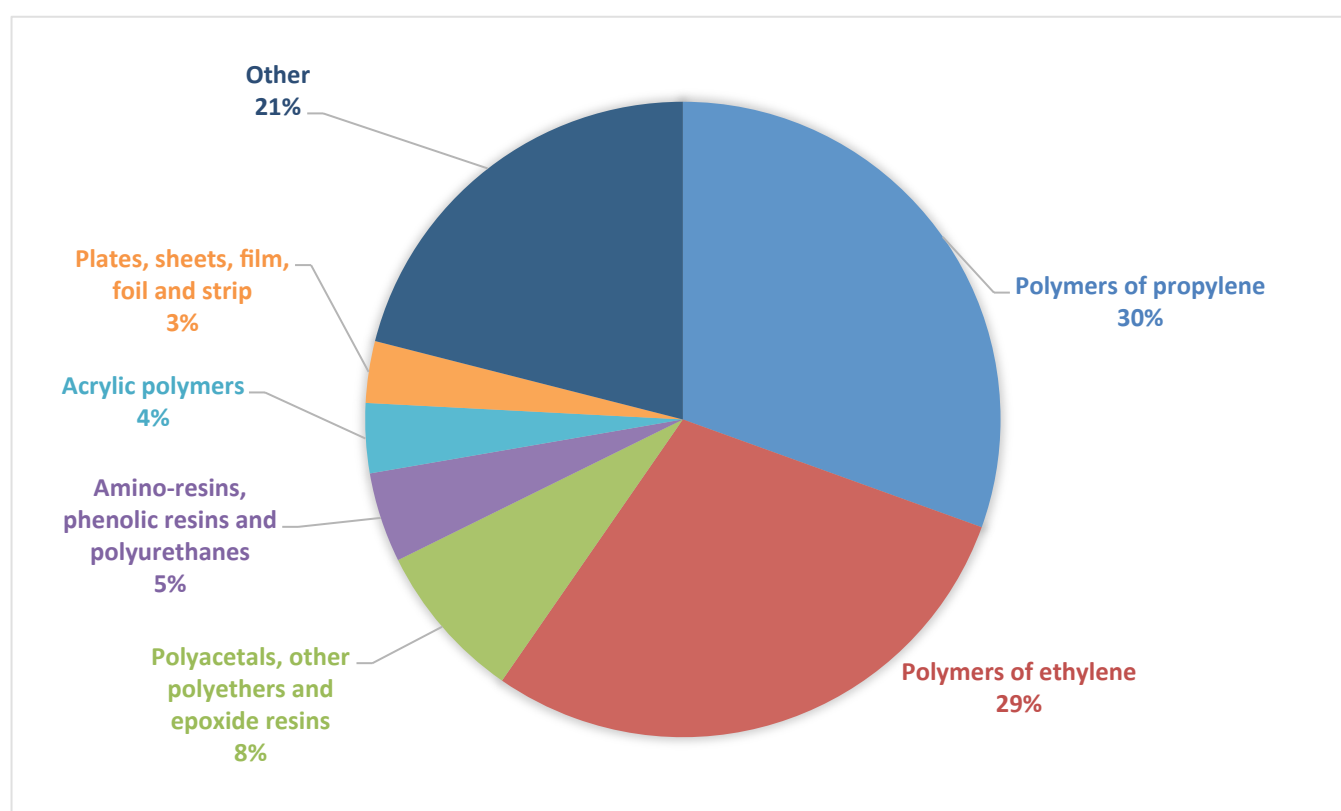
Figure 4: Growth Trend of Pakistan's Exports (Value in US \$ Million)



Pakistan's Major Product Mix

Articles of plastic and Polyacetals, Polyethers and Epoxide resins are the most exported commodity of Plastic Products in terms of Pakistan's exports. This is quite evident from the percentage share of different product categories in Pakistan's exports, as exhibited below:

Figure 5: Pakistan's Product Mix - Plastic Products



Pakistan's Exports Destinations

In last five years, Pakistan's major export partner for Plastic Products was United States of America followed by Canada. The percentage share of top five importing countries of this commodity from Pakistan is given in the following table:

Table 5: Pakistan's Top Five Export Partners – Last 5 Years (Value in US \$ Million)

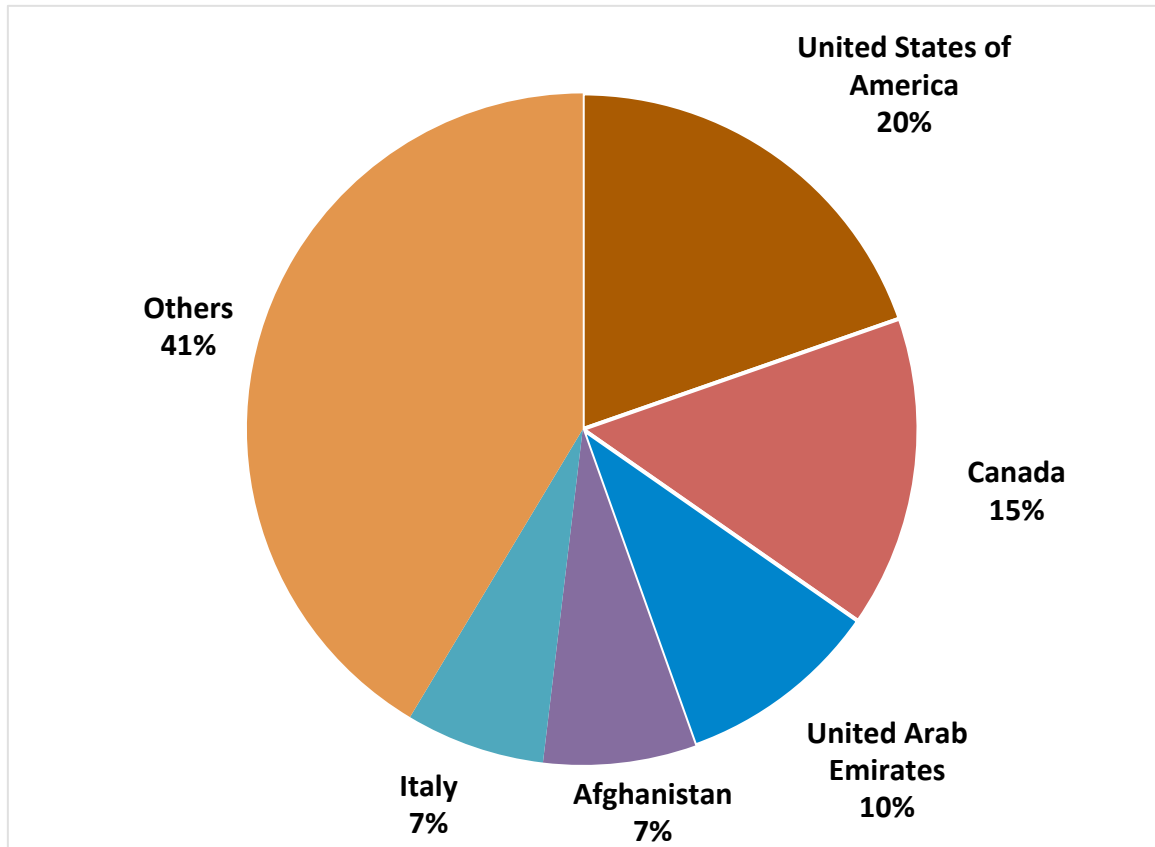
Country	Exports (Value in US \$ Million)	Growth in exported value between 2017- 2021 (% , p.a.)
United States of America	76.49	-3
Canada	58.50	25



United Arab Emirates	38.40	23
Afghanistan	28.54	5
Italy	26.10	22

Source: Trade Map

Figure 6: Pakistan's Top Five Export Partners – Last 5 Years (Value in US \$ Million)



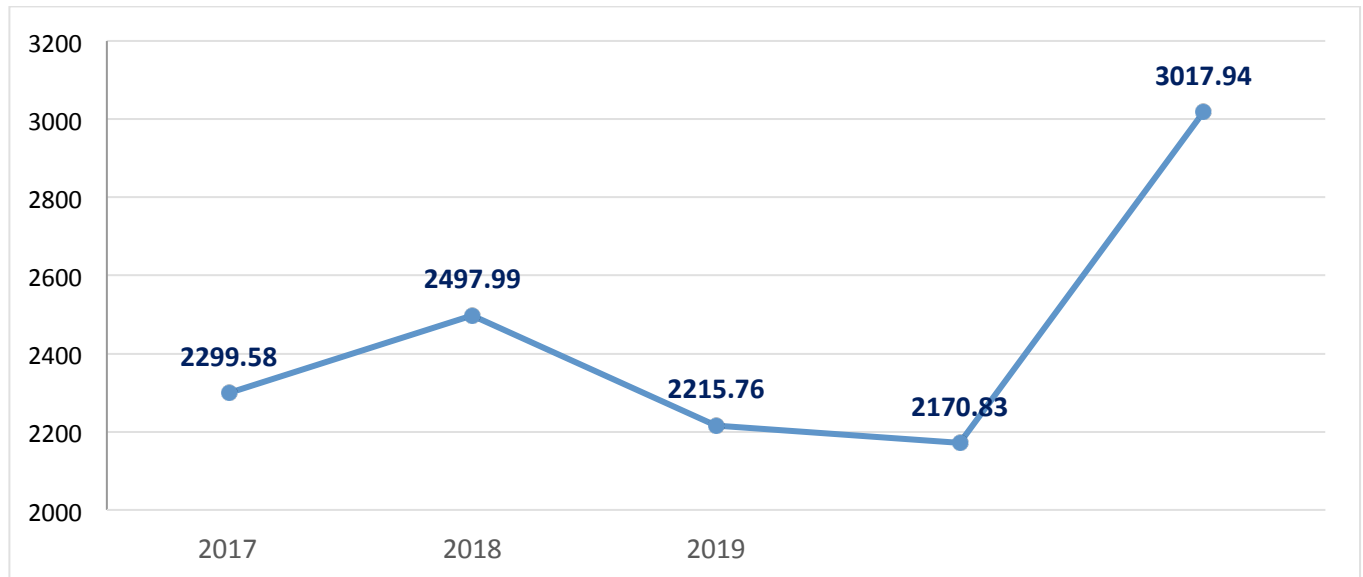
4. Supplying markets for a Plastic product imported by Pakistan

Pakistan Import of Plastic Products in Last 5 Years is given in below-mentioned table.

Table 6: Pakistan Import Plastic Products - Last 5 Years

Description	2017	2018	2019	2020	2021
Pakistan Import (Value in US \$ Million)	2299.58	2497.99	2215.76	2170.83	3017.94
Growth %age	19%	9%	-11%	-2%	39%

Source: Trade Map

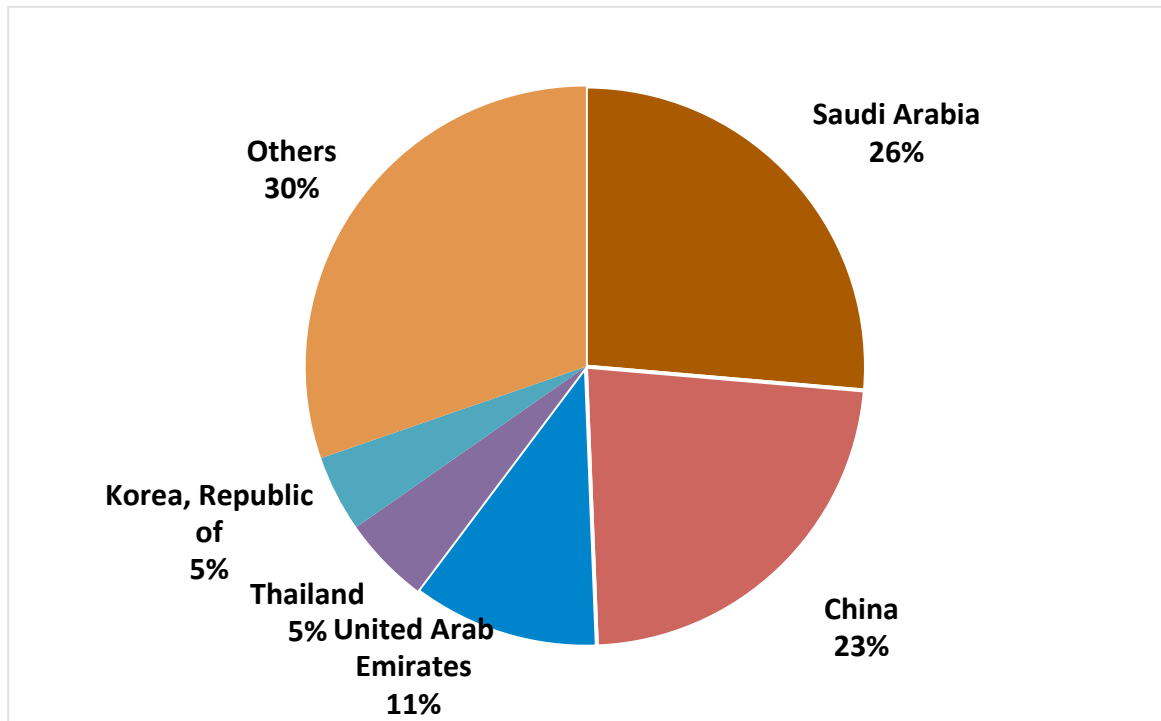
Figure 7: Growth Trend of Pakistan's Imports (Value in US \$ Million)

The largest supplying country of Plastic Products to Pakistan is Saudi Arabia, followed by China and USA. The figures of five biggest Exporting countries are given below:

Table 7: Pakistan's Top Five Import Partners – Last 5 Years (Value in US \$ Million)

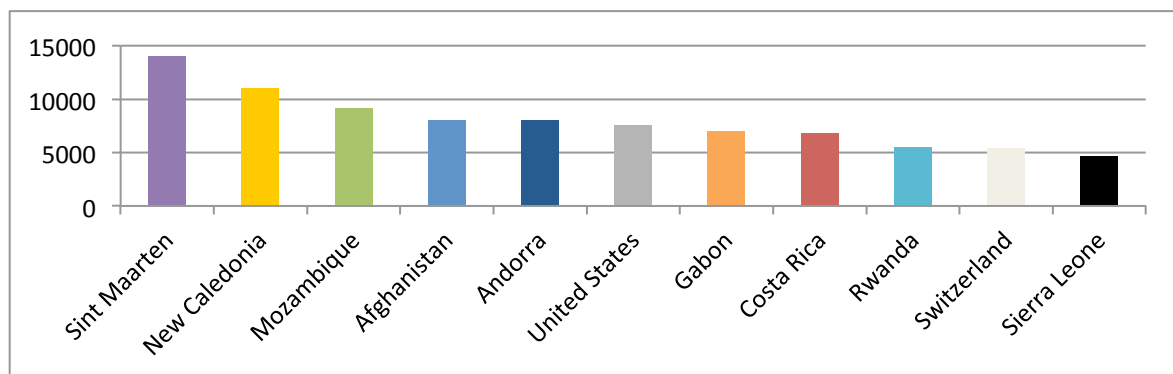
Country	Imports (Value in US \$ Million)	Growth in Imported value between 2017-2021 (% p.a.)
Saudi Arabia	795.596	4
China	694.505	9
United Arab Emirates	328.040	10
Thailand	152.234	17
Korea, Republic of	133.280	0

Source: Trade Map

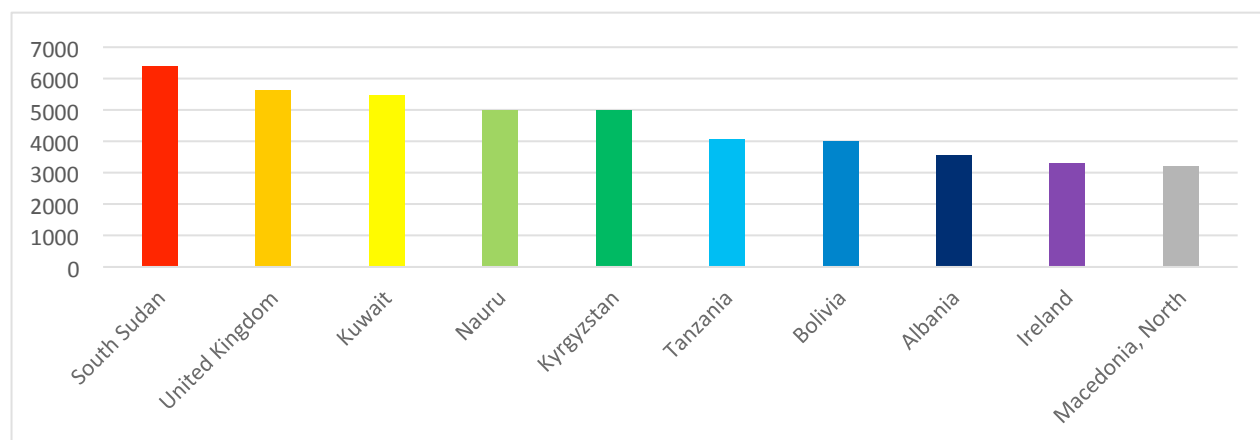
Figure 8: Pakistan's Top Five Import Partners – Last 5 Years (Value in US \$ Million)

5. Price Comparison

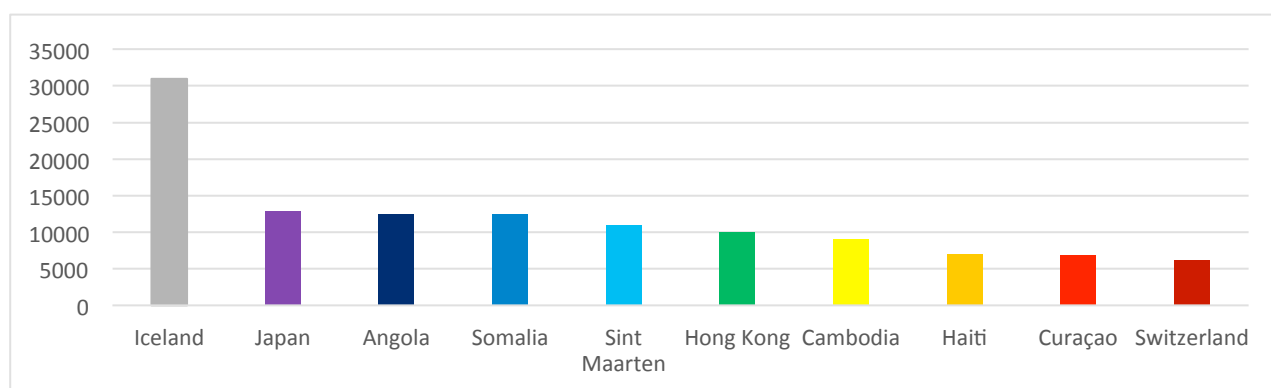
The following price comparisons of Plastic Products show the prices charged by exporting countries for major product mix.

Figure 09: Price Comparison for Polyacetals, Polyethers and Epoxide Resins (HS 3907, US \$ / Ton)

Pakistan's export price in this category is US \$ 1197 per ton which is ranked 97st in the world.

Figure 10: Price Comparison for Polymers of styrene, in primary forms (HS 3903, US \$ / Ton)

Pakistan's export price in this category is US \$ 1520 per ton which is ranked 75th in the world.

Figure 11: Price Comparison for Plates, sheets, film, foil and strip, of non-cellular plastics (HS 3920, US \$ / Ton)

Pakistan's export price in this category is US \$ 1939 per ton which is ranked 114th in the world.

6. Plastic Products Imported by Pakistan

Table 8: Plastic Products Imported by Pakistan

HS Code	Product Description	Import Value 2021 USD Million
3902	Polymers of propylene or of other olefins, in primary forms	920.90
3901	Polymers of ethylene, in primary forms	879.24
3907	Polyacetals, other polyethers and epoxide resins, in primary forms; polycarbonates, alkyd resins, ...	243.29
3909	Amino-resins, phenolic resins and polyurethanes, in primary forms	138.12
3906	Acrylic polymers, in primary forms	107.04
3920	Plates, sheets, film, foil and strip, of non-cellular plastics, not reinforced, laminated, ...	94.74
3903	Polymers of styrene, in primary forms	87.17



3919	Self-adhesive plates, sheets, film, foil, tape, strip and other flat shapes, of plastics, whether ...	77.26
3926	Articles of plastics and articles of other materials of heading 3901 to 3914, n.e.s.	73.82
3904	Polymers of vinyl chloride or of other halogenated olefins, in primary forms	65.09
3912	Cellulose and its chemical derivatives, n.e.s., in primary forms	54.34
3910	Silicones in primary forms	52.25
3905	Polymers of vinyl acetate or of other vinyl esters, in primary forms; other vinyl polymers, ...	42.58
3923	Articles for the conveyance or packaging of goods, of plastics; stoppers, lids, caps and other ...	35.70
3921	Plates, sheets, film, foil and strip, of plastics, reinforced, laminated, supported or similarly ...	34.99
3915	Waste, parings and scrap, of plastics	27.51
3913	Natural polymers, e.g. alginic acid, and modified natural polymers, e.g. hardened proteins, ...	21.48
3917	Tubes, pipes and hoses, and fittings therefor, e.g. joints, elbows, flanges, of plastics	20.38
3908	Polyamides, in primary forms	9.72
3925	Builders' ware of plastics, n.e.s.	7.71
3911	Petroleum resins, coumarone-indene resins, polyterpenes, polysulphides, polysulphones and other ...	6.45
3916	Monofilament of which any cross-sectional dimension > 1 mm, rods, sticks and profile shapes, ...	4.61
3914	Ion-exchangers based on polymers of heading 3901 to 3913, in primary forms	4.40
3924	Tableware, kitchenware, other household articles and toilet articles, of plastics (excluding ...	3.62
3922	Baths, shower-baths, sinks, washbasins, bidets, lavatory pans, seats and covers, flushing cisterns ...	3.59
3918	Floor coverings of plastics, whether or not self-adhesive, in rolls or in the form of tiles; ...	1.96

Source: Trade Map

7. Customs Tariff / Duties

Knowing customs duties (or tariffs) are important to take decision of choosing a product or service for importation or exportation economically feasible or not. In the same manner to claim refund or rebate again knowing custom duty is essential. Whole circle of import and export depends upon knowing and using the custom tariffs/duties or exemptions. Determining which customs duty is applicable to a product is a complex exercise and expert advice may be sought.

Customs Act, 1969, Customs Rules 2001 are the relevant law and **Pakistan Customs** under FBR is the only authority to deal with custom tariffs and rules. Government often change duty structure and rules due to which these are not stagnant. Following is the link to check the customs tariffs/duties applicable in which Pakistan Customs is the final authority to the extent of Pakistan.

<https://www.fbr.gov.pk/categ/customs-tariff/51149/70853/131188>



8. Prominent International Trade Fairs

Name of Trade Shows	Location	Frequency	Web Links
Plastec West	Anaheim Convention Center Anaheim, California, USA	Annual	https://plastecwest.plasticstoday.com/
3P Pakistan	16th March to 18th March 2023 at Expo Center Karachi	Annual	https://plasprintpack.com/
Oman Plast	Oman International Exhibition Centre, Muscat, Oman	Annual	http://www.silverstaroman.com/index.html
InterPlas Thailand	BITEC, Bangkok, Thailand	Annual	https://www.interplasthailand.com/
The International Plastic, Packaging & Print Asia 2023 Exhibition	17-19 June 2023 at Karachi Expo Center	Annual	http://www.plastipacpakistan.com/
Plastics Fair 2023	brabanthallen 's hertogenbosch, Netherlands	Annual	https://kunststoffenbeurs.nl/exposeren/