

# Plastic Processing Industry in Pakistan

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Plastics is the mother industry to hundreds of manufactured components and products like automobiles parts, televisions, refrigerators, other electrical goods, plastic furniture, defence products, agricultural piles, woven sacks, packages, sanitary ware, pipes and fittings, tiles and flooring, PVC shoes and sleepers, artificial leather, bottles and jars, disposable syringes and hundreds of household items.

The Plastic industry chain can be classified into two primary segments, these are; the Upstream which is the manufacturing of polymers and the Downstream which is the conversion of polymers into plastic articles. The upstream Polymer manufacturers have commissioned globally competitive size plants with imported state-of-art technology from the world leaders. The downstream plastic processing industry is highly fragmented and consists of micro, small and medium units.

Presently there are 6,500 plastics processing units in Pakistan. Major concentration of plastics processors whether they are injection, blow, extrusion, woven or tubular films manufacturers, is in and around the industrial hubs of Karachi, Lahore, Gujranwala, Peshawar,

Faisalabad, Hyderabad, Rawalpindi, Gadoon and Hattar.

The plastic resin industry produces resins which are further treated in plastics processing facilities and sold largely to the building and construction, packaging and consumer markets. Plastic resins are generally categorized into two types: thermoplastics and thermosets. Types of plastic Resins and their uses are given in **Table-1**

Pakistan exported plastic in two forms i.e. plastic materials and plastic processed goods. Export of plastic and their products from Pakistan decreased from US \$ 548 million in

**Table-1: Types of Plastic Resins and Their Uses**

Plastic Resins and Codes	Uses
Polyethylene Terephthalate (PETE)	1. Soda Bottles 2. Water Bottles 3. Shampoo Bottles 4. Mouth wash Bottles 5. Peanut butter jars
High Density Polyethylene (HDFE)	1. Milk, Water and Juice Jugs 2. Detergent Bottles 3. Yogurt and Margarine tubs 4. Grocery Bags
Vinyl (V)	1. Clear Food Packaging 2. Shampoo Bottles
Low Density Polyethylene	1. Bread Bags 2. Frozen Food Bags 3. Squeezable Bottles (mustard, honey)
Polypropylene	1. Ketchup Bottles 2. Yogurt and Margarine Bottles
Polystyrene	1. Meat Trays 2. Egg Cartons 3. Cups and Plates
Other	1. 3 & 5 gallon bottles 2. Ketchup 3. Small juice Bottles

Source: (<http://dartways.com/print.php?pg=sectors&s=11>)

2011-2012 to US \$ 464 million in 2013-2014. On the other hand import of plastic materials and their products also decreased from US\$ 1,609 million in 2010- 2011 to US\$ 1,507 million in 2013-2014.

Plastic moulding machinery is mostly imported from China, Japan, Korea Italy and EU countries. However, locally manufactured machinery is also being used. Import of plastic moulding machineries are given in **Table-2** and country wise import of Injection moulding machines are given in **Table-3**.

There is lot of scope for exporting locally manufactured plastic products to various markets in the Middle East,

**Table-2: Imports of Plastic Moulding Machines**

Quantity: Numbers  
Value: Rs. Million

Machines	2013-14		2012-13	
	Quantity	Value	Quantity	Value
Injection moulding machines	3,768	3,040	3,173	1,756
Extruders	108	385	221	616
Below moulding machines	257	995	405	635
Vacum moulding thermofoam machines	35	122	63	141
Moulding / Forming machines	987	93	125	150
Other machines for Working Rub / Plastic	1,106	1,556	409	2,590

Source: Pakistan Bureau of Statistics, Government of Pakistan.



Africa and even USA, to fetch millions of dollars. Pakistani plastic products have already been introduced and accepted in these markets.

Many countries like Taiwan, Hong Kong, Thailand, Indonesia, Korea and neighbouring India are exporting plastic products worth millions of dollars to the above mentioned markets. Export of plastic products forms a major part of export earning of these countries. Pakistan plastic industry has potential to enjoy mass production and meet the export commitments if proper incentives and relaxations are offered to it.

### Pakistan takes EU to WTO over PET trade

Pakistan launched a trade dispute at the World Trade Organisation on Wednesday to challenge the European Union's punitive duties on Pakistani exports of polyethylene terephthalate (PET).

Pakistan says the EU has broken WTO rules in the way that it imposed anti-subsidy duties on PET, which is used in synthetic fibres, plastic bottles and food containers.

Under WTO rules, the EU has 60 days to try to settle the dispute in direct talks, after which Pakistan could escalate the issue by asking the WTO to set up a panel to adjudicate.

**Table-3: Import of Injection Moulding Machines (Major Countries)**

Quantity: Number  
Value: Rs. 000

Country	2012-13		2012-13	
	Quantity (000 Kg)	Value (Rs. 000)	Quantity (000 Kg)	Value (Rs. 000)
China	2,079	1,476,478	1,255	701,583
Japan	1,247	905,666	1,009	471,307
Luxemburg	30	254,725	213	187,867
E.U	--	--	172	122,377
U.K	57	31,858	86	59,209
Hong Kong	129	78,739	38	16,538
Canada	2	898	29	17,280
Italy	65	53,585	46	46,399
All others Countries	159	238,603	325	133,172
<b>Total</b>	<b>3,768</b>	<b>3,040,552</b>	<b>3,173</b>	<b>1,755,732</b>

Source: Pakistan Bureau of Statistics, Government of Pakistan.

Pakistan's exports of PET were worth just over \$200 million last year, according to data from the International Trade Center, a UN-WTO joint venture. Although its exports have grown, sales to the EU have dwindled in the past few years.

The EU accounted for over 80% of Pakistan's foreign sales of PET a decade ago, but less than 10% of Pakistani PET exports went to the EU in 2013, a tiny

slice of the EU's \$4.3 billion imports of the material.

#### References

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