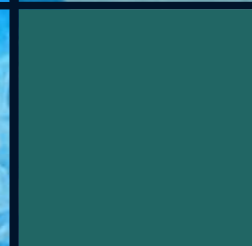


Plastic Sector Profile

Industry Overview
2020



غرفة صناعة الأردن
Jordan Chamber of Industry

PLASTIC SECTOR OVERVIEW

One of the most dynamic and diverse sectors in Jordanian manufacturing is the Plastics converting and production sector. Plastics in Jordan have enjoyed a long and rich history and can claim many firsts in plastic production in the region.

Due to the ever-growing range of applications and uses for plastics, the plastics sector has expanded over the years and has resulted in large range of firms producing and endless variety of products addressing all needs and use cases.

Plastic firms in Jordan have also throughout the years exhibited very high resilience and stability, managing to grow and thrive in some very unstable regional and global conditions, through innovation, smart investment and best in class cost controls and monitoring, our firms have managed to compete with heavily subsidized competitors in the region.

Another factor that has significantly aided Jordanian Plastics in growing and thriving is the focus on product quality, standards, and technical specifications, aided by well-developed testing and product verification labs and facilities and 3rd party certification bodies. and as such our products now enjoy extremely high customer loyalty in all the markets in the region.

Jordan has also played a big role in providing safe harbor for refugees from the many conflicts that have plagued the region, welcoming millions of refugees throughout the years that have found peace of mind and safety in Jordan away from the troubles in their home countries, Jordan and Jordanians are proud of this status. And this can be seen reflected in the integration of these refugees not only in the workforce of the Plastics sector but also in the ownership and investment numbers made by some of these refugees throughout the years in the plastics sector.



ENTERPRISE

Total number of firms around

614 enterprises.

Number of firms grew by

6.6%
during the last ten years.

42.5% of the sector's
enterprises are industrial enterprises.



INVESTMENT

Registered capital:

126.4
million dollars

The sector's investment grew by

5.9%
at the last decade

PRODUCTION


5% Constitutes 5% of the total industrial production.

30% Value added in this sector reached about 30% of the total production.

1.1 The total of production more than 1.1 billion dollar.

1% Sector's contribution to GDP is more than 1%.

EMPLOYMENT

 It includes 4.3% of the total employees of the industrial sector.

 Sector employs around 10,757 workers, and more than 80% of sector employees are Jordanian.

 Total employees increased by 53% during the last ten years.

 Female workers are 6% of the total employees of the sector.



EXPORT

\$313 Sector's exports reached about 313 million dollars in 2019.

13.4% Compound Annual Growth Rate of sector's exports during the last decade about 13.4%.

3.6% It accounts 3.6% of the total of Jordan's exports.

80% Access to more than 65 markets across the world.

OPPORTUNITIES



The sector has unrealized export potential of about 157.6 million dollars to countries across the world.



The Covid-19 has affected the sector by directing it towards producing new products of high demand locally and globally, such as Face Shield, sanitizers and disinfectant bottles.

VARIOUS SUB-SECTORS

The Jordanian plastic sector can be subdivided into 8 main sub-sectors serving a wide range of industries and consumers:



Flexible Packaging



Raw Materials



Rigid Packaging



Furniture & Housewares



Construction Materials



Foam Products



Agricultural Plastics



Medical Supplies & packaging

BRIEF OUTLINE AND HISTORY

1- FLEXIBLE PACKAGING

OVERVIEW

Plastic flexible packaging has undergone rapid developments and advances in the past few years, aided by the very high cost savings, protective characteristics and versatility in displaying attractive products brand information on the package itself.

Jordanian flexible packaging producers are capable of serving all needs and in most formats required, while maintain high quality standards and very attractive value propositions. Some of the products and sectors that are served by this subsector include:

Related Industries and Potential Cosmetics:



Grocery bags
and rolls



Shopping bags



Shipping bags
and parcels



Garment and
laundry bags



Pallet protection
stretch films
and pallet covering



Heavy duty
industrial packaging
and protection



Bulk materials,
grain and cement
packaging sacks

2- RIGID PACKAGING

OVERVIEW

Plastics rigid packaging has also undergone rapid expansion over the recent years taking advantage in new production technologies such as in-mold labeling, multi-layer production and automation systems to result in packaging products superior in cost and performance to alternative made from other materials.

Factors such as increasing product life in the case of food products to providing oxygen and UV barrier protection to volatile chemical products has resulted in a thriving and ever-growing subsector with a very promising future.

Jordanian Rigid packaging manufacturers has been at the forefront in the region in deploying the latest production technologies as well as the latest materials and formulations to impact excellent cost and performance characteristics to the products they offer, some of the products and sectors that are served by this subsector include:

Related Industries and Potential Customers:



Dairy, juice, soft drink,
water bottles



Cosmetics, detergents
bottles



Paint and chemical
packaging



Fertilizers and
pesticide packaging



Bulk chemicals
packaging



Sanitizers packaging



Medical packaging

3- CONSTRUCTION MATERIALS

OVERVIEW

With growing populations in the region and globally, coupled with historically high urbanization numbers, the need to provide decent well designed and built housing suitable for ever more discerning educated citizens is at an all-time high. Coupled with providing insulation and energy savings in the face of global concerns for green house gas emissions has created large opportunities for the plastic sector to provide solutions and systems that satisfies these needs.

The range of products currently produced in Jordan is very large and enters all stages of construction and building, Jordanian Producers have also been heavily involved in preparing the technical standards and quality requirements for these products to ensure they can compete in a regional and global stage.

Some of the sectors served by Plastic construction material producers in Jordan include:



Utilities:
gas,water,sewage



Electrical: conduits,
fittings,insulation,outlets



Building insulation
materials



Building utilities:
water tanks, fire systems



Construction supplies:
warning tapes,road barriers



High energy and sound
insulation window
and door systems

4- AGRICULTURAL PLASTICS

OVERVIEW

Jordanian Agricultural plastics have played a major role in revolutionizing farming and agriculture not only in Jordan, but in the Middle East and north Africa, Jordanian Agricultural producers have brought Green house agriculture, water saving drip irrigation and highly complex systems and components to markets in the region that previously relied on traditional agricultural techniques resulting in leaps for these countries in the yield of their farmers and enabled them to farm lands and areas not previously possible.

Jordanian Agricultural Plastics developed from the harsh agricultural economics of Jordan, where Jordan is currently classified as one of the poorest countries in the world, as well as land characteristics that are very harsh, dry and soil poor. But due to the utilization of these products and systems, Jordan is currently a net exporter of agricultural products in the region, and Jordanian farmers are able to farm and produce products destined to countries around the world.

Some of the Plastic Agricultural Products in include:



Plastic green house films,
green house plastic plates



Drip irrigation
pipes and systems



Main irrigation and water
transportation high
pressure piping



Produce packing
bags and films



Produce packing
plastic boxes



Mulch films



Poultry cages and egg
packaging boxes and trays



Meat, milk and yogurt
packaging products



Seedling bags and pots

5- PLASTIC FURNITURE & HOUSEWARES

Jordanian plastic furniture & housewares producers are on the forefront in the region in the design development and production of appealing, but more importantly functional furniture and household items. Stemming from the hypercompetitive and rapidly changing aesthetics tastes and needs of the young and highly educated Jordanian population.

The scale and variety of products in this subsector are diverse and can serve every price point from the low high highly price sensitive customers to high end designer categories. The scope and applications for these products are constantly expanding and growing, stemming from in depth analysis of trends and tastes of Jordanian as well as international customers.

Some of the products in this sub-sector are:



Stackable Plastic Chairs



Outdoor and Patio Furniture



Plastic shelving, cupboards and storage containers



Large stackable containers



Food organization and storage containers



Brooms, Mops and Cleaning systems



Cloth storage and handling products



Toys and playground items

6- RAW MATERIALS

In conjunction with the growth of the various plastics subsectors, the plastics raw materials subsector has grown, stemming from the need of the other subsectors to offer their customers the latest products, designs at the highest quality and the lowest cost, has pushed plastic raw material producers to invest, research and develop new materials that meet these growing needs.

Even though Jordan is not a primary plastic producer, Jordanian Factories are able to import these low value commodity plastics and modify them to produce high value blends and raw material products that are not only used by Jordanian producers, but exported to the region and beyond.

Some of the products currently being produced by this sub-sector include:



Plastic/calcium carbonate compounds



Wire & cable production compounds



Color masterbatches



Technical and performance masterbatches



Window and outdoor use compounds

7- MEDICAL PLASTICS

Jordan has the most developed Medical and medicine sector in the region, patients from the region and beyond come to Jordan to seek medical treatment and the Jordanian Pharmaceutical companies have become global players producing and selling medicines not only the developing countries but also to most developed countries.

The highly developed medical and pharmaceutical sector is supported by the Jordanian Plastics medical and Pharmaceutical packaging producers, where these companies have developed hand in hand with the companies they serve.

The highly regulated and stringent quality requirements demanded by their customers as well as the Jordanian Food And Drug administration has resulted in state of the art production facilities that not only produce material for this sub-sector at the best possible cost but at the highest safety and quality standards few other competitors can meet in the region.

Some of the products in this sub-sector include:



Pharmaceutical bulk bags



Medical waste containers and bags



Pharmaceutical blister packaging



Child and tamper proof medicine bottles and containers



Hospital supplies and consumables

8- COVID-19 Notes

Plastics plays a pivotal role in Personal Protective Equipment (PPE) essential for the protection of frontline workers during the current corona virus pandemic, and these PPE materials are also essential to limit the spread of the virus in the population, while enabling economic activities to continue to limit the potentially very large economic and impact of the pandemic.

Jordan Plastics Manufacturers have risen to the challenge and need resulting from this pandemic and have started the production and manufacturing of PPE materials in record time, that has in the space of a few months made Jordan a net exporter of PPE products where before the pandemic it has been a net importer.

Some of the materials that fall into this category are:



Surgical
face masks



Protective face
shields



Protective body
garments



Disposable single use
gloves and foot protection.



Hand sanitizer
bottles and pumps



Single use prayer
mats and barriers

