

ECONOMY

BUSINESS AREA 9



Chemistry and Pharmaceutical



Spain's **chemistry industry is the third most important within the Spanish economy**, to which it contributes nearly **11%** of the industrial Gross Added Value (GAV). Spain is considered the **fifth European manufacturer** and **eighth worldwide** producer in this sector. In addition to being a strategic industry for the Spanish economy due to its highly export-oriented and innovative nature, the chemistry industry has increased its contribution to the country's GDP in more than **54.5%** over the last 15 years. In terms of employment, over half a million professionals work both directly and indirectly in this sector.

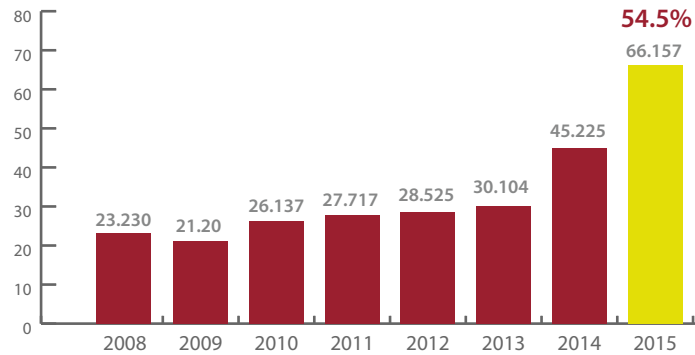
Murcia is in the Spanish Mediterranean Rim, where most chemical industry firms are located. Within the Region it is important to mention Valle de Escombreras (Cartagena), an area with a large number of petrochemical industries with a cutting-edge technological and productive level at an international level. Within this sector a product which is certainly a category of its own is **petroleum**. In this regard, the port of Cartagena plays a key role as it is the main Spanish port in petroleum traffic and one the **most important in liquid bulk cargo in the entire Mediterranean region**.

Another relevant characteristic of this sector is the proximity between primary material suppliers and end clients, an advantage contributing to enhanced services and optimized costs.

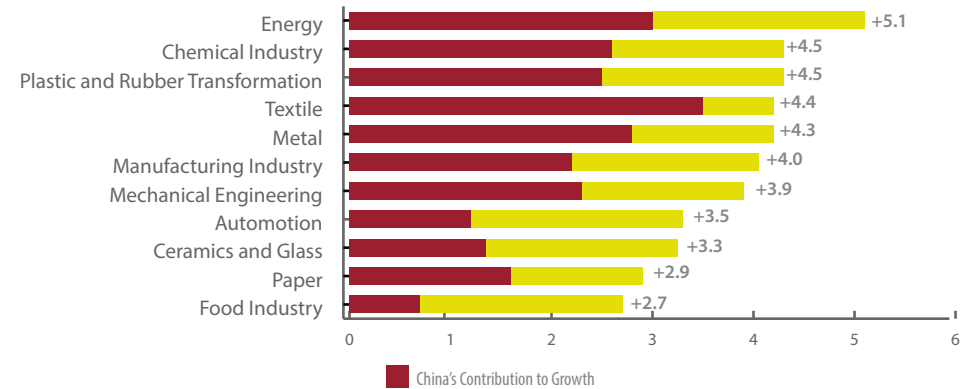
This sector is also known for having **more open-ended contracts (88%) than any other in Spain (65%)** and for investing more in R&D than any other industry. The sectoral experience accumulated by Murcia has taken the region to build industrial parks adjusted to the requirements of the chemical industry. This is essential because due to the specific conditions of the chemical industry, companies in this sector demand installations such as waste treatment plants and specific piping, among others, all of which are available in the Region.

In addition to petroleum and its by-products, this sector is comprised of a large range of industries with a significant production and turnover volume. Some of these industries are pharmaceutical, cosmetics, paints, as well as plastics and paper items, among others. An aspect currently considered vital is the **protection of the environment**. In this sense, Murcia's chemistry industry has a Global Program for ongoing improvement of the environment, safety and health, in accordance with the sustainable development principles recognized by the United Nations and applied in 53 countries. In addition to this, it is important to mention the educational system of the Region which, aware of the relevance of this industry for the Murcian economy and society, offers specialized chemistry courses in the **7 universities of the Region's area of influence**.

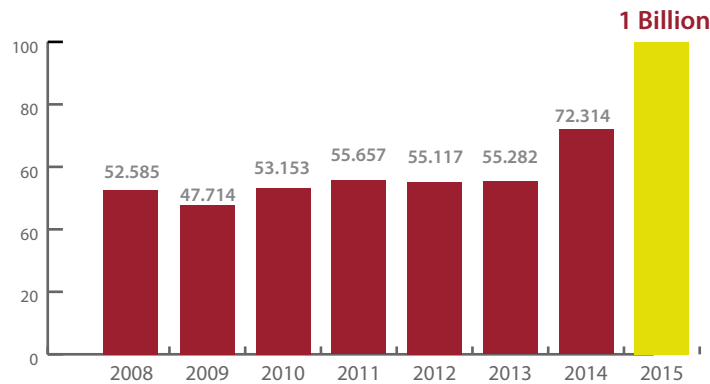
Evolution of Chemical Sector Exports (2008-2015 Millions €)
(Source: INE. Industrial Company Survey, Production and Price Index and Own elaboration)



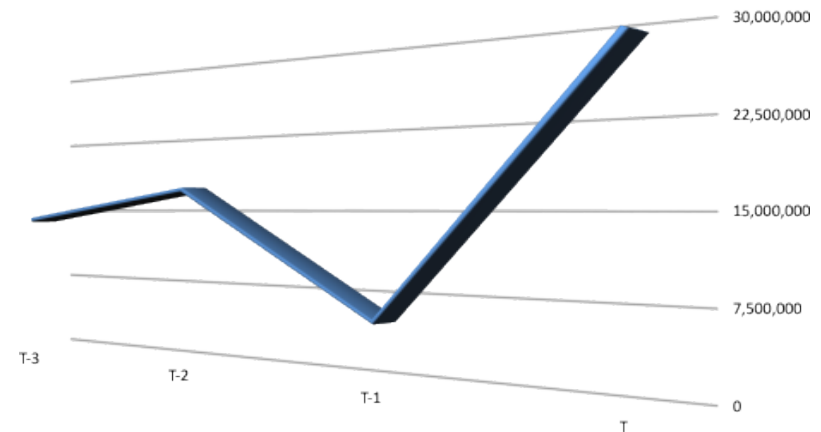
Average Annual Production Growth Among Industrial Sectors (%)
Growth 2011-2030 (Millions €)
(Source: VCI Prognos Study)



Evolution of Turnover in the Chemical Sector (2008/2015 Millions €)
(Source: INE. Industrial Company Survey, Production and Price Index and Own elaboration)



Chemical and Pharmaceutical Industry (Millions €)



COMPANY HIGHLIGHTS:

As for companies located in the region, the main ones are **Sabic** and its polycarbonate plant, **SK Lubricants** and its lubricant base plant, as well as **Repsol's** mega-industrial complex, which is the most significant industrial investment ever made in the country (some **€3.3 billion**).

Contributing companies include:

- Sabic**
- Saras Energía**
- Takasago**
- SK Lubricants**
- Francisco Aragón**