

TAJIKISTAN: GREAT OPPORTUNITIES

PE pipes production at 1.17% capacity!

According to reports from the Tajikistan Department of Energy and Industry, there are currently four small enterprises and three workshops involved in plastic production in the Republic.

In 2005, GUP Zarya East was the first plastic pipes production plant in the Republic to produce a 16–90 mm diameter plastic pipe range.

Due to increased demand for plastic pipes, newly emerged small companies such as SuperPlus CJSC JV, Vakhdad Palast Ltd in Vakhdad, Real Ltd and StarPlus JV in Khujand, Tojcable OJSC, Romsar Ltd in Dushanbe

have since become involved in the manufacture of modern plastic pipes.

The total plastic pipe manufacturing capacity of these companies is 16,750 tonnes per year with investment capital of 5.4 mln US dollars. These companies collectively employ 102 people.

Polyethylene and polypropylene pipes are mainly produced in sizes ranging from 16 mm to 630 mm diameter. These sizes comply with international standards and compete with imported brands.

The Tajikistan based companies collectively produced 1281.9 thousand metres of pipes within 11 months during

2011 – which amounts to 12773.4 thousand somoni. This is a significant increase on the previous year (21.6 thousand metres and 7870.1 thousand somoni more was achieved).

Production volumes:

- Tojcable OJSC – 35.2%
- StarPlus JV – 29.6%
- Real Ltd – 25.8%

The total volume of plastic material processed is 196 tonnes and production capacity within the 11 month period was reported at 1.17%. According to Ministry forecasts, demand for plastic pipes will increase 2–3 times each year.

Source: avesta.tj

WHAT CAN WE EXPECT FROM JOINING THE WTO?

Kirill Trusov, Head of Procurement and Logistics at POLYPLASTIC, has commented that after joining the WTO, the reduction of import duty on polymeric goods will not increase imports if the import duty on raw material is proportionally reduced.

According to Mr Trusov, it is not necessary to increase import duty on end products to protect home producers, the main thing is to avoid the disproportional reduction of duty on goods. “The quantity of Chinese polyethylene pipes in Russia will not be greater than it is now”, said Trusov.

“If import duty on goods reduces simultaneously with import duty on raw material, then imports of polymeric goods will not rise at all”. Consequently, if an import duty reduction on goods is accompanied by the present 10% duty on raw materials, then imports of goods will increase and the volume of home production will decrease.

After joining the WTO in 2014–2018, Russia will decrease its import

duties on polymeric goods from 10% to 6.5%. The goods include pipes, films, sheets and packaging.

Moreover, one of Russia’s obligatory conditions for entering the WTO is to reduce import duties on basic polymeric raw materials from 10% to 6.5% within 2–3 years of joining.

Import duties on basic polymers will stay the same at the time of joining the WTO (it is expected that the Russian Federation will become a member of the WTO by the middle of 2012). The duties will apply to polyethylene, polypropylene, polyvinyl chloride (PVC).

Import duty on linear polyethylene will increase to 6.5% by 2014 (currently it is 0%). Import duty on polystyrene (including foam-forming polystyrene) will also increase from 0% to 6.5%.

Import duty on plasticised and non-plasticised PVC will reduce from 10% to 6.5% in 2013.

Source: rupec.ru

STAVROLEN HAS RESUMED PRODUCTION

At the end of September, petrochemical manufacturer, Stavrolen, resumed production of ethylene and propylene, according to a statement from the company. Stavrolen is a subsidiary of LUKOIL OJSC.

The plant operations had stopped as a result of fire at the ethylene production facility in mid-December 2012. LUKOIL has now completed the repair and refurbishment works, and, on the 11th of March, production of polypropylene was resumed. The raw materials (propylene) were purchased from Karpatneftekhim (a subsidiary company of LUKOIL OJSC) and other producers.

The polyethylene production facility also underwent a planned refurbishment at the same time that the repairs were being carried out on the ethylene production facility.

Ethylene is used in polyethylene and polypropylene production.

Source: Plastinfo.ru