

23 June, 2008

Korea Petrochemicals - Summary

Despite of the short story of 30 years, Korean Petrochemical Industry has accomplished tremendous development, supporting high economic growth of the country.

The yearly production capacity of the petrochemical facilities in Korea in the late 1970s had been 155 thousand tons of ethylene from the naphtha cracker and downstream facilities in Ulsan. At the end of 1979, the second petrochemical complex with an annual production capacity of 350 thousand tons was constructed in Yeochun.

During the decade between the late 1980s and the early 1990s, the third petrochemical complex was completed alongside with the massive new and expansion projects. Further new and expansion projects were implemented continuously, and currently 6.7 million tons of ethylene are produced annually, which is 4 to 5 times the production capacity of the late 1980s.

From the 6.7 million tons, annual 10 million tones of general purpose resins as LDPE, HDPE, PP, PVC, PS/ABS for use in synthetic resins, and annual 7 million tons of caprolactam, AN, TPA/DNT, EG for making synthetic fiber raw materials are now produced. Annual 450 thousand tons of synthetic rubbers for making SBR and BR are also produced. Other petrochemical products like PA and Alkyl benzene are also produced in quantity that more than covers the domestic consumption of the three complexes Ulsan, Yeochun and Daesan, Ulsan has three unites of naphtha cracker and downstream facilities that are capable of producing 1,230 thousand tons of ethylene annually. In Yeochun, five units of naphtha craking and the downstream facilities of an annual 3,430 thousand tons of ethylene are in operation, and three naphtha cracking units and the downstream facilities of annual 2,060 thousand tons of ethylene are under operation in Daesan.

Korean Petrochemical Industry has been exporting about over 50% of their productions. The trend will continue in the future. China is the number one importer from South Korea's Petrochemicals.



Alberta Korea Office

Korea Market Intelligence

The demand growth of Asian countries especially China, is most important factor influencing Korean Petrochemical industry. On the other hand enhancing the competitiveness and diverse other difficulties lie ahead of the Korean Petrochemical industry.

Korea imports ethylene glycol from Alberta, Canada.

Korea Petrochemicals Production & Trading status (2007)

(1,000)

	Production	Import	Export	Domestic
Resins	10,576	182	5,976	4,782
Fiber Intermediates	7,640	672	4,041	4,270
Rubbers	543	50	329	263
Total	18,758	904	10,346	9,315

Source: The Alberta Korea Office

For more on the latest developments in the Korean marketplace, please [contact the Alberta Korea Office](#).