



GCC Petrochemicals Landscape: Perspectives on Trends Shaping the Future of the Industry

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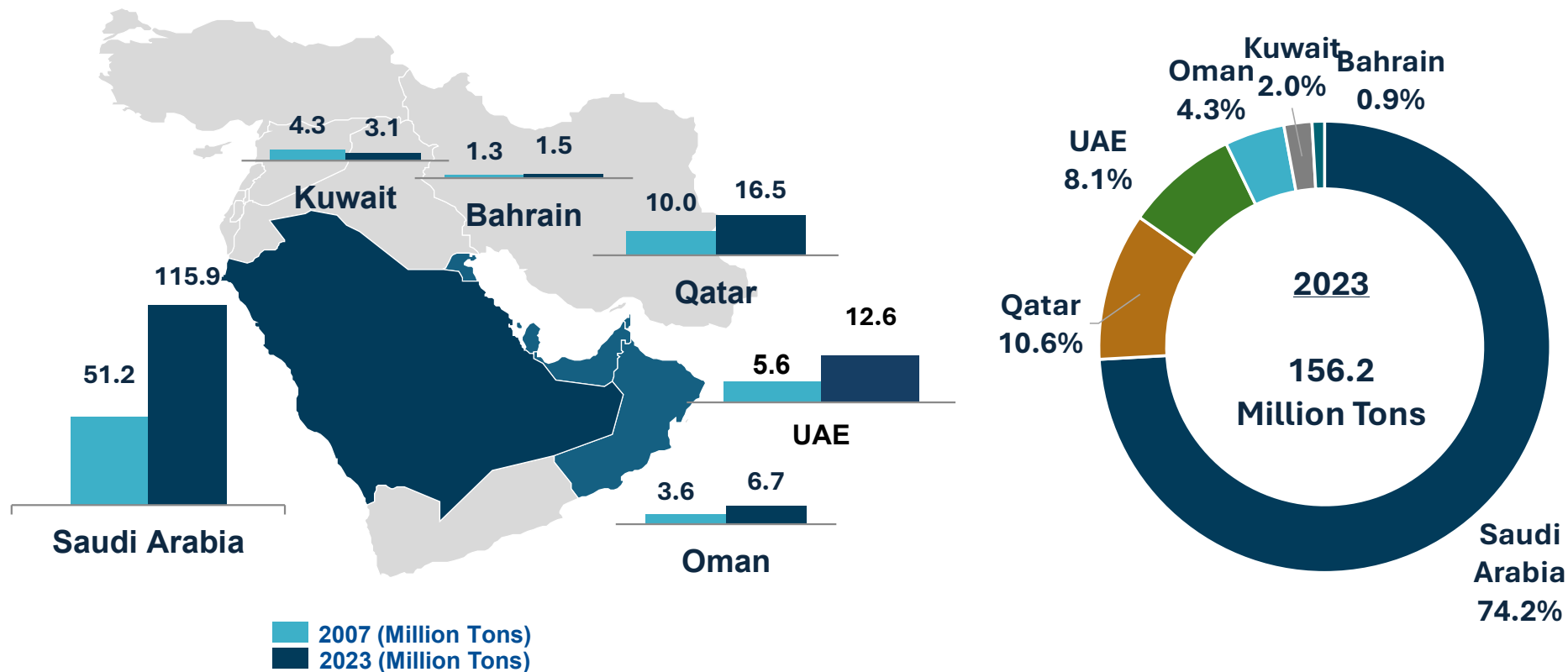
Agenda

- **GCC PetChem Industry's Landscape**
- Key Trends Shaping the Future of the GCC PetChem
- GCC–Asia: Unlocking Value Creation Opportunities
- Conclusion & Future Outlook



GCC PetChem Industry Landscape

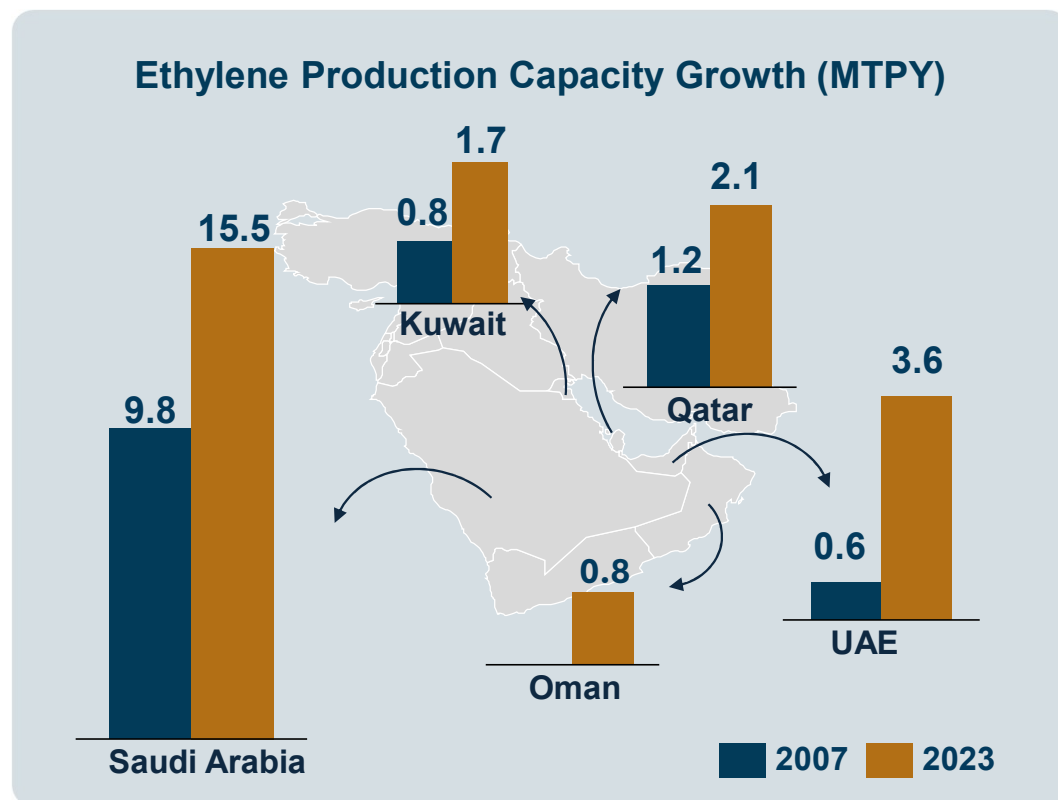
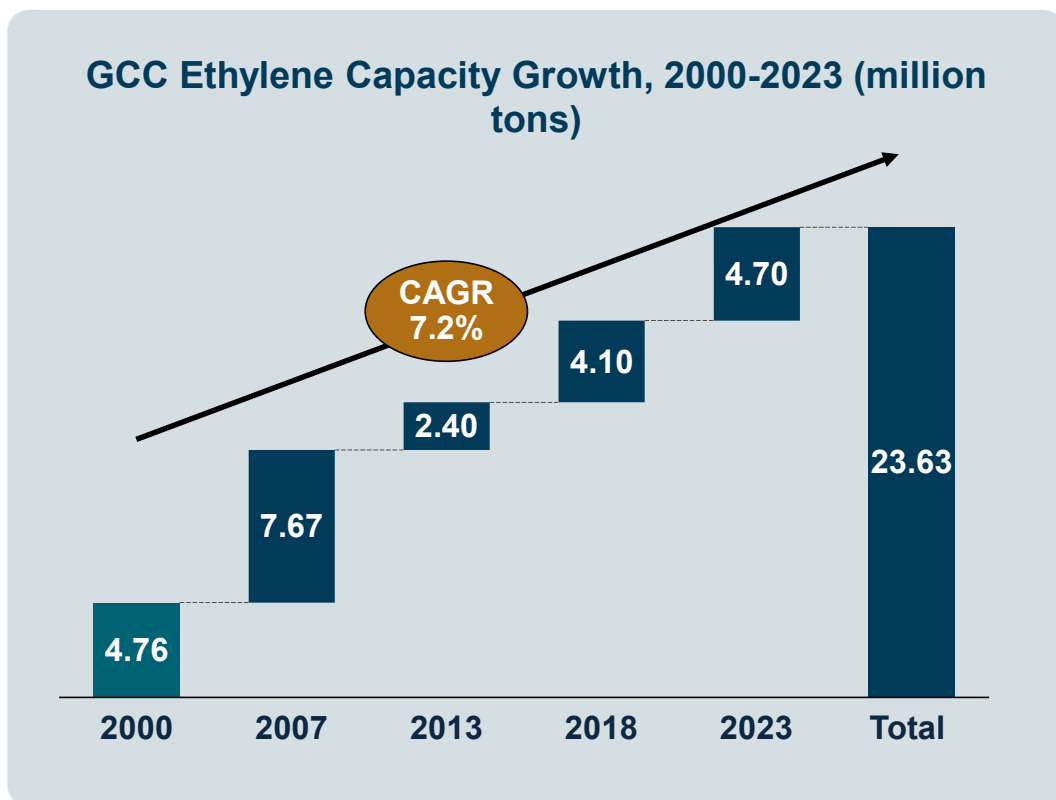
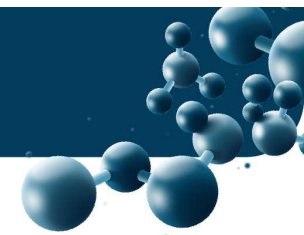
PetChem is produced across the 6 GCC States with Saudi Arabia accounting for the lion share. Over the time span 2007-2023, the highest expansion was in Saudi Arabia (127%) and the UAE (125%)



Source: GPCA analysis, 2024

GCC PetChem Industry Landscape

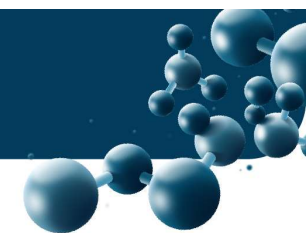
Ethylene production capacity in the GCC has grown exponentially, turning the region a leading global production hub with a global share of 10.4%



Source: GPCA Analysis; 2024

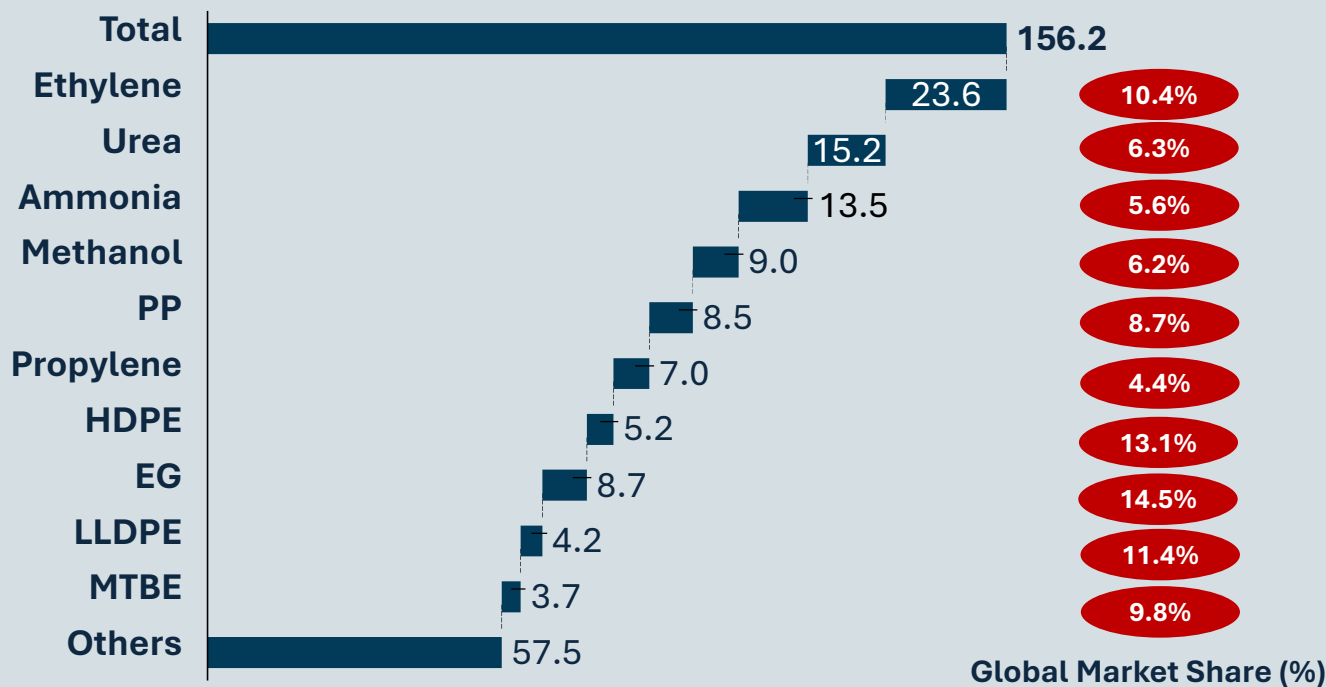
Note: Based on source information from GPCA member companies

GCC PetChem Industry Landscape



The industry is predominantly gas-based with C1, C2 & C3 being the most developed value chains rendering the region as a leading global hub for commodity PetChem

Top GCC petrochemical products – by capacity & global market share, 2023

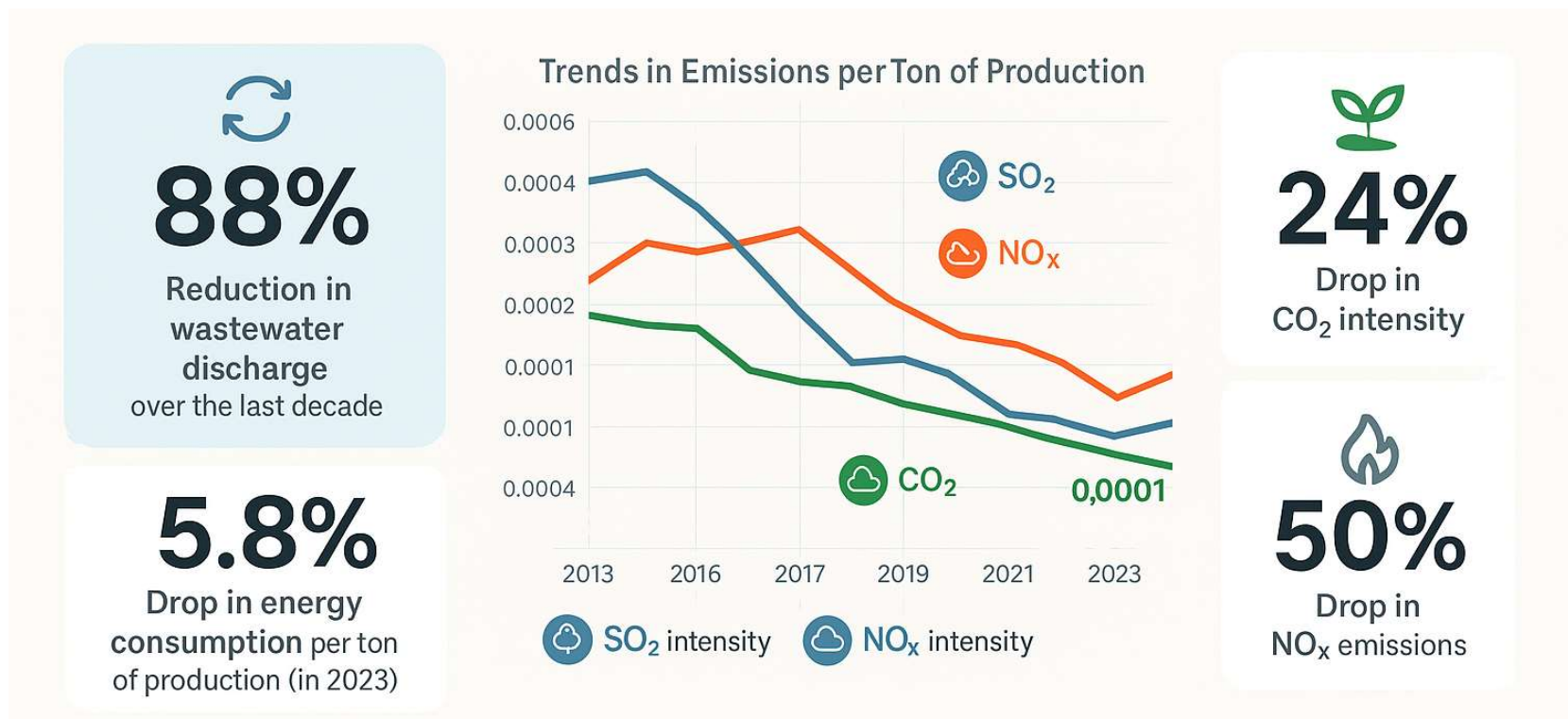


■ Production Capacity (million tons)

Source: GPCA Facts and Figures Report, 2024

GCC PetChem Industry Landscape

Sustained Growth, Responsible Performance GCC Chemical Industry's Decade of Environmental Progress (2013–2023)



Source: GPCA questionnaire and analysis, 2024 and RC Performance Metrics report
Note: GPCA member companies only, *2013 represent aggregate data of 2009 to 2013 data

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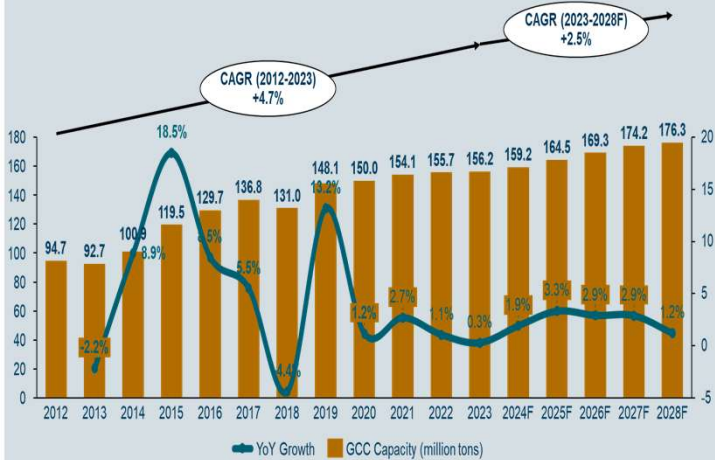
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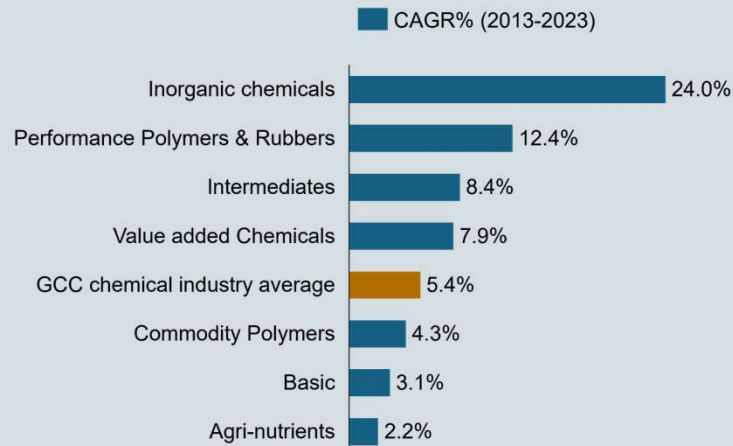
Trends Shaping the Future of the GCC PetChem Industry

Consistent capacity expansion and a higher-value product slate are diversifying the GCC industry's products portfolio beyond commodity petrochemicals.

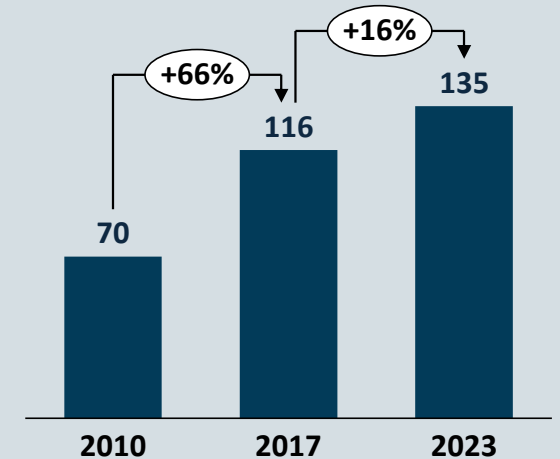
GCC Petrochemical Capacity Growth Trajectory



From Commodity to Specialty/ Performance Chemicals

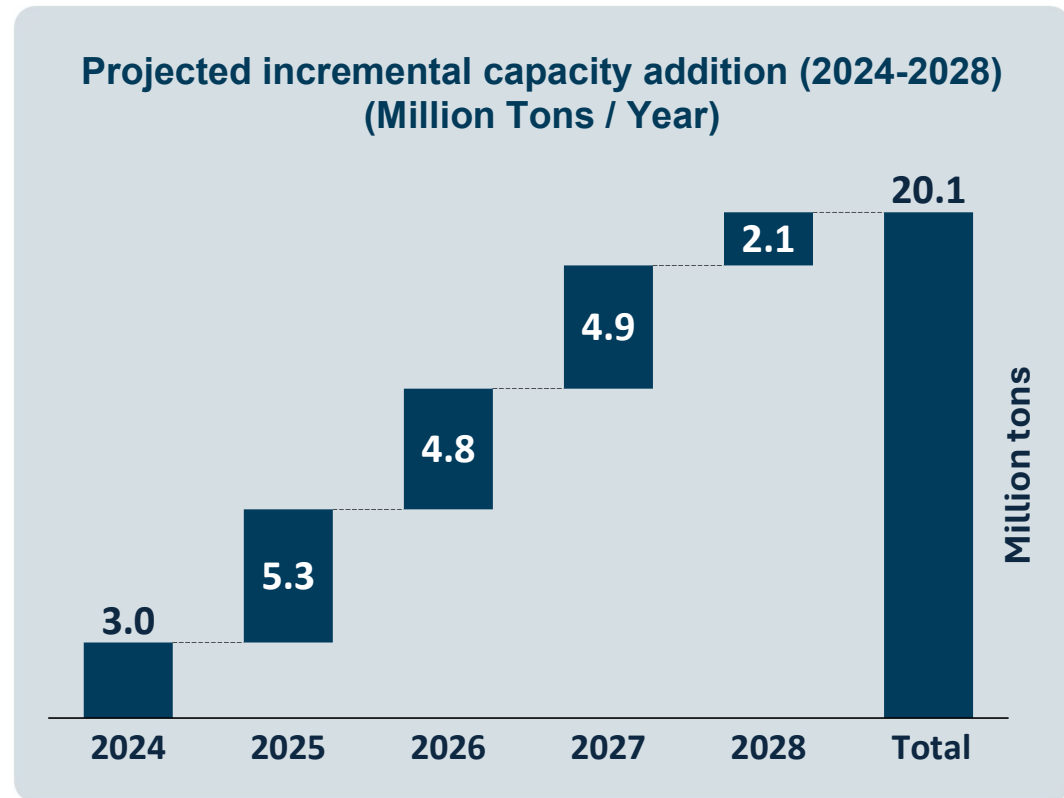
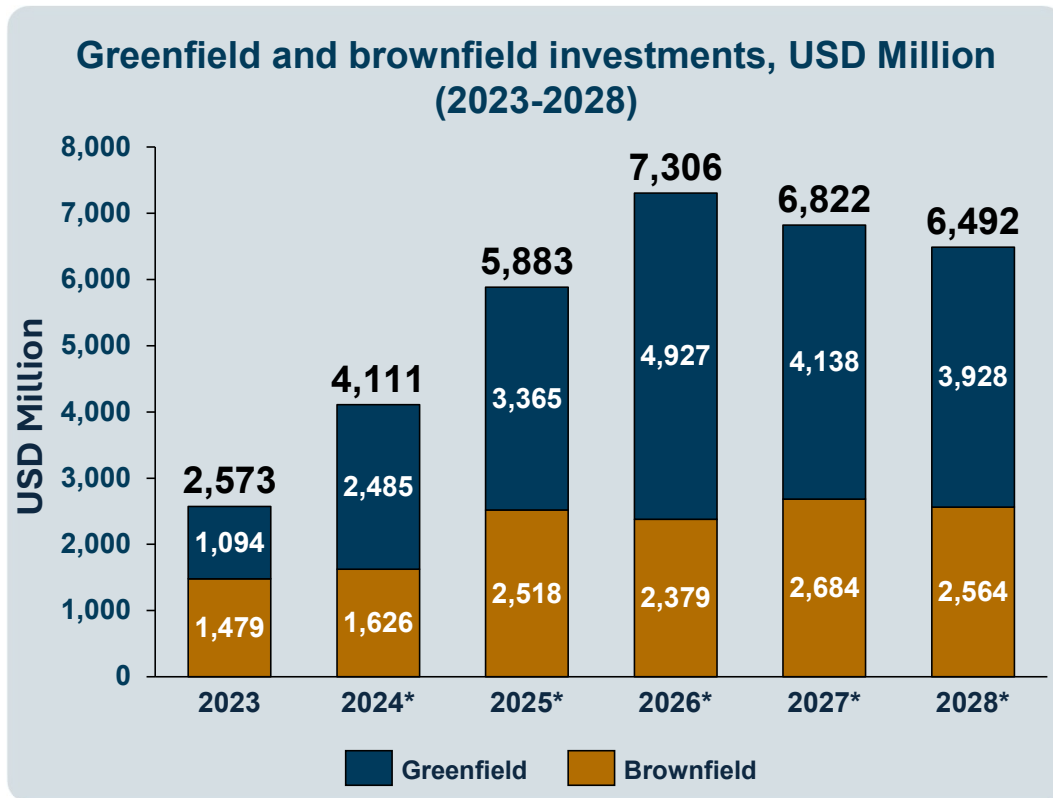


Products Diversification Drive in the GCC Industry



Trends Shaping the Future of the GCC PetChem Industry

Short-term incremental capacity addition for brown and greenfield projects will add >20 Million Tons at a capital investment exceeding USD 30.6B by 2028



Source: GPCA Facts and Figures report, 2024

Trends Shaping the Future of the GCC PetChem Industry

Accelerating the move towards liquids cracking leading to a more balanced products mix at the basic PetChem level

Refinery Integration

Amiral (Aramco - TotalEnergies JV)

- Mixed-feed cracker: **1.65 Mtpa** ethylene.
- Two PE lines: **2×0.5 Mtpa**.
- Integrated with SATORP refinery (**465 kbpd**).
- Planned start-up **2027**.



PetroRabigh (Aramco- Sumitomo JV)

- Ethylene cracker: **1.6 Mtpa**. Commercial operations began since **2009**
- Integrated with refinery (**400 kbpd**).
- Phase 2 expanded cracker (**1.3→1.6 Mtpa**).



Liquid-to-Chemicals Expansion

SASREF L-to-C Expansion (Aramco & Rongsheng)

- Framework agreement signed in April 2025
- Pre-FEED stage; exact capacities aren't public yet.



China L-to-C Projects

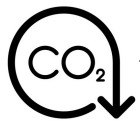
- HAPCO (Panjin Oil-to-Chemicals JV): **300 kbpd** refinery + **1.65 Mtpa** ethylene + **2 Mtpa** PX; **startup 2026**.
- Fujian Phase-2: **320 kbpd** refinery + **1.5 Mtpa** ethylene + **2 Mtpa** PX & derivatives;
- Full operation by end-**2030**.



Trends Shaping the Future of the GCC PetChem Industry




Ambitious sustainability targets set across the GCC to achieve by 2030:

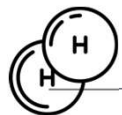
- Capture ca. 62 MtCO₂, produce 5.5 Million ton of H₂ and recycle > 60% plastic waste



Carbon Capture




Current Status
<ul style="list-style-type: none"> • 4.4 million tons of CO₂ are captured annually in the GCC (chemical, energy, and steel value chains). • 10% of the global annual CCUS capacity.

National Targets
 Qatar 7 to 9 MtCO ₂ /pa captured by 2030
 UAE 10 MtCO ₂ /pa captured by 2030
 KSA 44 MtCO ₂ /pa captured by 2035



Clean Hydrogen/Ammonia




<ul style="list-style-type: none"> • 5.5 million tons is the annual hydrogen demand in the GCC. • 5.6% of the global hydrogen demand.

 Oman 1 million tons of hydrogen by 2030
 UAE 1.4 million tons of hydrogen by 2031
 KSA 4 million tons of hydrogen by 2030



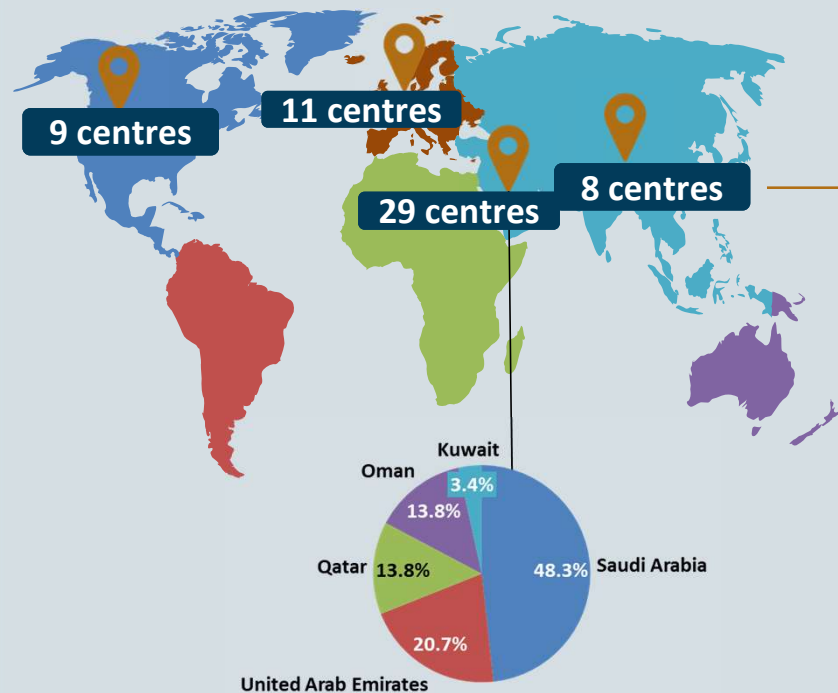
Plastic recycling

<ul style="list-style-type: none"> • The GCC generates 10 million tons of plastic waste annually. • 10% of the GCC plastic waste is recycled annually.
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 Qatar 95% recycling rate by 2030
 Oman 60% waste utilization by 2025
 KSA 50% waste diversion by 2030, 90% by 2040

Trends Shaping the Future of the GCC PetChem Industry

GCC-Asia's bilateral energy relationship is evolving into innovation-driven partnership, reinforcing industrial ecosystem while creating new value chains.



1. SABIC Technology Centre (STC) in Shanghai, **China**
2. Borouge Application Centre in Shanghai, **China**
3. Aramco Beijing Global Research Centre, **China**
4. Arlanxeo (Saudi Aramco) Rubber Technology Centre in Changzhou National Hi-Tech District (CND), **China**
5. SABIC Technology Centre in **South Korea**
6. Aramco Research Centre in Daejeon, **South Korea**
7. SABIC Technology Centre (STC) in Bangalore, **India**
8. SABIC Japan Technology Centre (JTC), **Japan**

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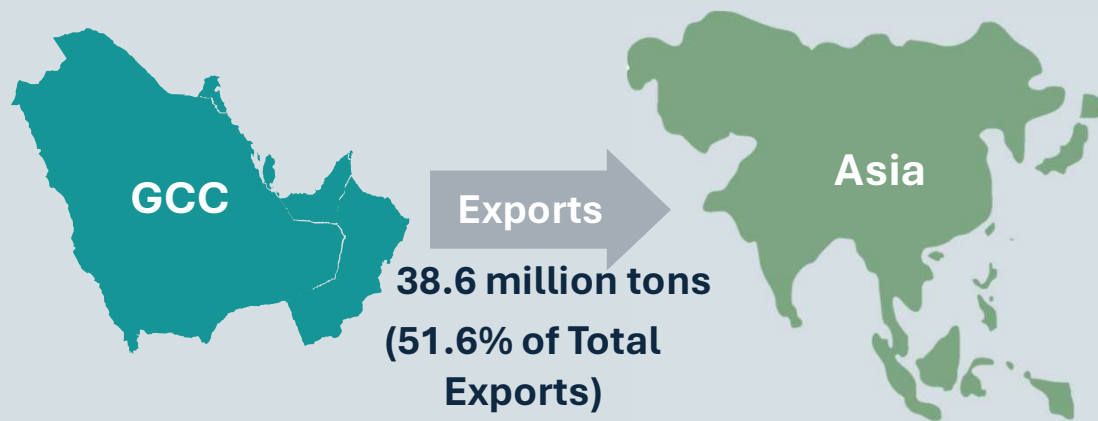
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GCC-Asia: Unlocking Value Creation – (1) Bilateral Trade

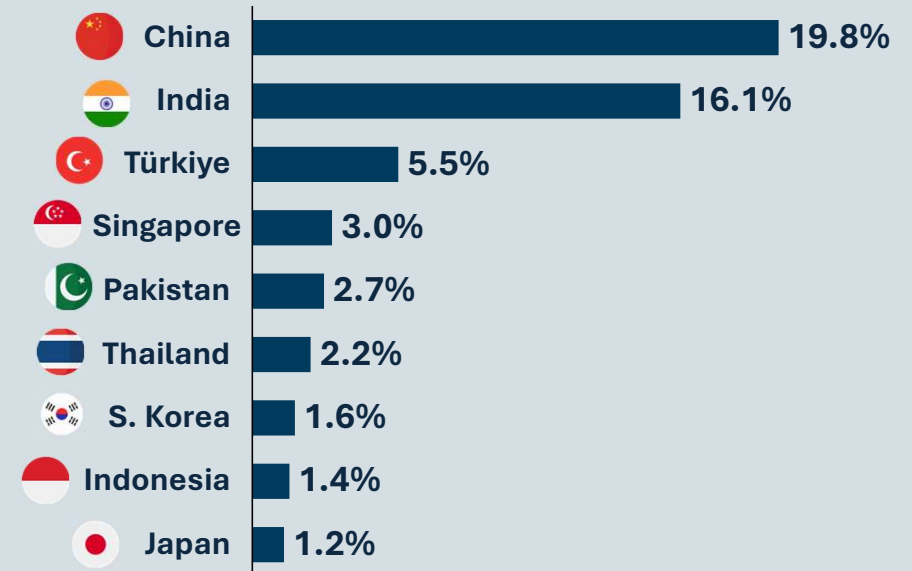
Asia is the top destination for GCC petrochemical exports, accounting for over half of the total exports in 2023, with China, India, and Türkiye leading as key trading partners.

Share of Asia in the total GCC PetrChem exports, 2023



Source: GPCA analysis, 2024

Share of Top GCC PetChem Trading Partners in Asia



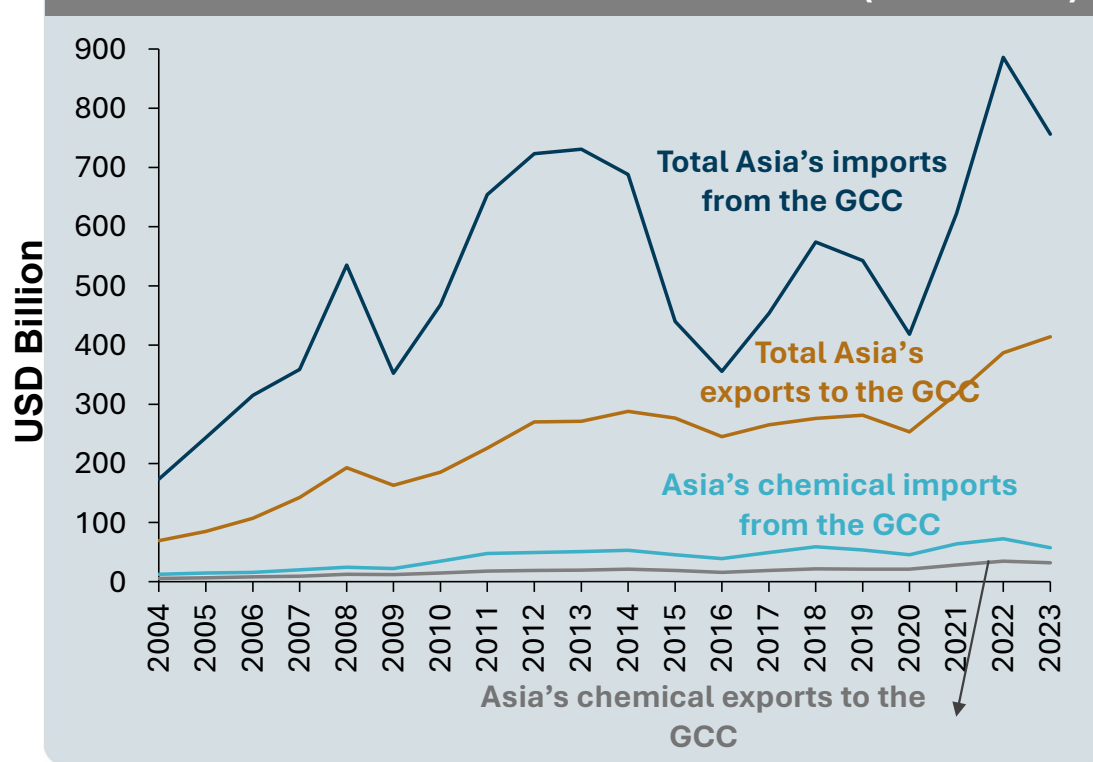
■ Share in total GCC chemical exports value, 2023

Source: GPCA analysis, UN Comtrade, 2024

GCC-Asia Partnership: Unlocking Value Creation – (1) Bilateral Trade

Over the past two decades, the GCC-Asia bilateral relationship has transitioned to a more comprehensive strategic partnership, largely on the back of a trade relationship founded on energy and chemicals.

GCC-Asia total & chemical bilateral trade (2004-2023)



Change in GCC-Asia's Trade Pattern (USD Bn)

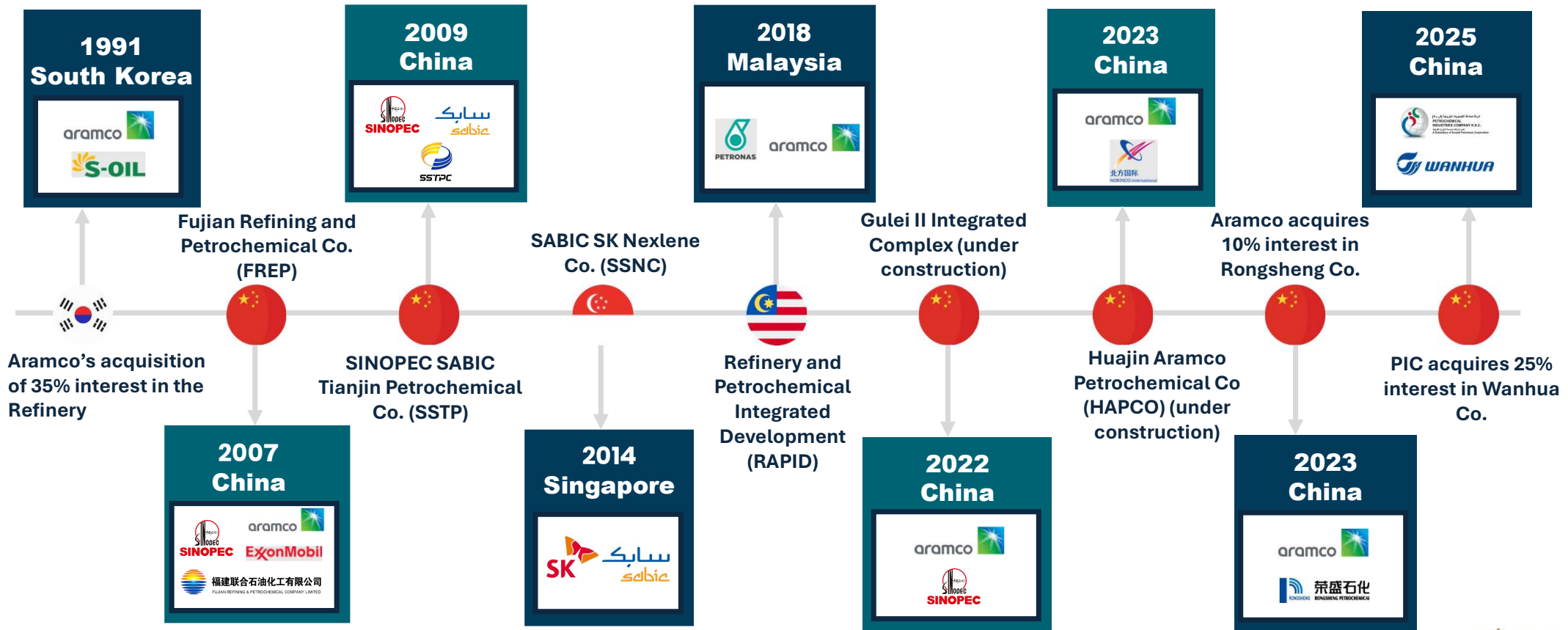
	2004	2023	Change (%)
Total Asia's Import from GCC	173.2	756.2	336%
Total Asia's Export to GCC	69.0	413.6	499%
Asia's Chemical Import from GCC	12.3	57.5	367%
Asia's Chemical Export to GCC	5.4	32.2	496%

Source: GPCA Analysis, 2025

Source: GPCA analysis based on the latest available Trade Map data, 2025

GCC-Asia: Contribution to Asia's Long-term Energy Security (2)

The combined refining capacity of the GCC JV in Asia is ≈ 2.7 million bpd and the Downstream petrochemicals capacities tied to those JVs ≈ 23.1 Mt per year



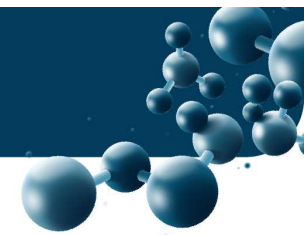
Source: Publicly sourced data, 2025

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Conclusion & Future Outlook



- **Challenges: Overcapacity, Tariff shock, 2023-2024 Slowdown, ..etc.**
- **Despite market headwinds and challenges, encouraging signals in favor of GCC!**

Global Shocks

1 GDP Slowdown

Indicator '25	Pre-tariff forecast	Revised forecast	Δ
Global GDP	2.5 %	2.2 %	-0.3 pp

Source: S&P Global Market Intelligence (2025)



GCC Impact

- **Lower GDP growth** → weaker chemical demand ▼
- **Overcapacity risk** → utilization squeeze, dumping of surplus cargoes into Asia/MENA → margins could erode ⚠️

2 Tariff-Driven Volatility

US–China Tariff Spiral ▲

- **145 %** US duty on Chinese goods/
- **125 %** China on US /
- **10%** US baseline tariffs on all countries



- **Export basket at risk:** and supply chain shocks. ⚠️
- **Potential trade diversion opportunities:** GCC can step in to fill the supply gaps in US/China markets. ⬆️

3 Business Uncertainty

- Uncertainty= delayed decisions in purchases/ investments.



- GCC players are welcomed as investors worldwide ⬆️
- GCC industry can capture growth in India & SEA

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CEO, Braskem



Thank You