



## **POLYURETHANE CHEMICALS AND PRODUCTS IN ASIA PACIFIC (APAC) 2025**

**IAL Consultants is pleased to announce the recent publication of its report on the markets for Polyurethane Chemicals and Products in Asia Pacific.**

This new study updates and expands upon the information included in our previous study published in 2024. The information contained within this report is based upon an extensive programme of interviews throughout the industry. The report contains both PU product production and raw material consumption figures, with 2024 as the base year and market forecasts provided to 2029. **The data is also available in a database format for subscribers, enabling the manipulation and output of data.**

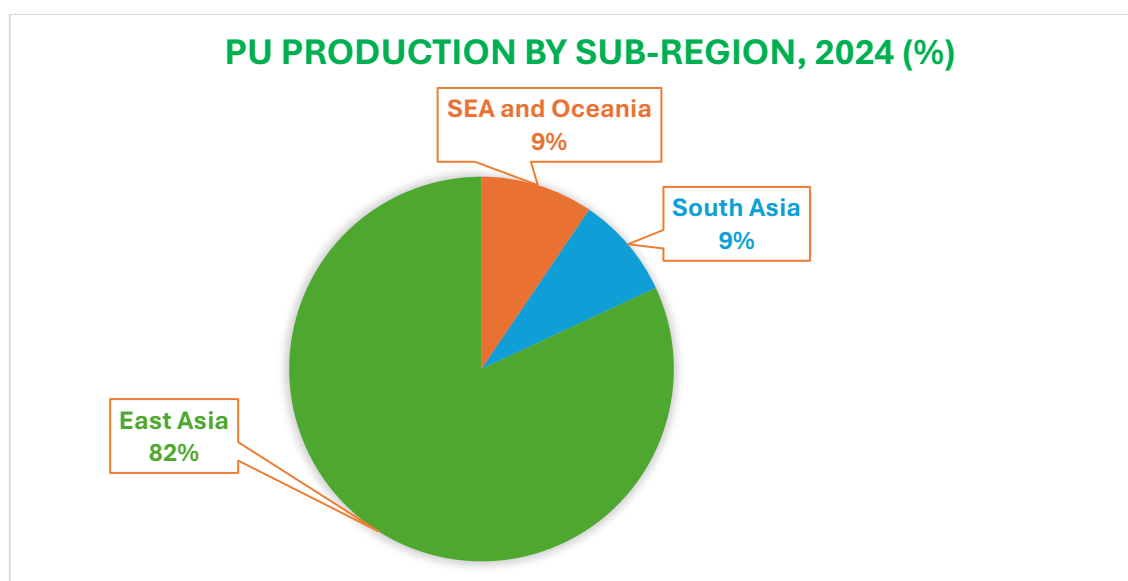
### **Summary**

The total production of polyurethane products in the Asia-Pacific region was 13.28 million tonnes in 2024. It showed an increase of around 2.5% in 2024 compared to the previous year. Asia-Pacific polyurethane production experienced a range of regional dynamics, with India leading the growth with a 9.5% increase, led by demand for rigid insulation panels and flexible seating foams. Indonesia followed with 8.4% growth, driven by urban housing development, government infrastructure spending and an emerging electric vehicle manufacturing base.

The Philippines and Malaysia contributed significantly to regional gains through hotel renovations, cold chain warehouse insulation and export furniture manufacturing. South Korea and Vietnam managed moderate increases, while Thailand experienced a 3.5% drop in output due to a decline in vehicle assembly, slowdown in private sector real estate activity, and delayed public infrastructure disbursements. This demonstrates how sectoral cycles and localised policy changes can significantly impact polyurethane production trends.

A CAGR of around 4.5% is expected over the next five years, with the fastest growth in 2025 taking place in India and Indonesia with 10.1% and 8.7%, respectively. Pakistan and Thailand are anticipated to see declines in 2025.

China is the largest PU producer in the APAC region, with production of around 9.9 million tonnes and showing a slight growth of around 2.1% in 2024. In rigid foam construction applications, PU is often being substituted with alternates such as mineral wool board.



### Flexible Foam

In 2024, the APAC region produced 2.6 million tonnes of flexible polyurethane foam, a 2.1% year-on-year increase. East Asia produced 1.7 million tonnes, with China being the largest producer, accounting for 87% of total output. South Asia saw a 4.2% growth in flexible foam production, driven by rapid urbanization and rising disposable incomes. India, the largest producer, produced over 478,000 tonnes, an 8.7% increase from the previous year.

The slabstock segment accounted for 72% of overall production, while moulded foam saw an increase of 8.7%. Polyester foam saw the highest growth, increasing by 4.7%, driven by its use in automotive applications, particularly in NEVs for noise reduction. However, suppliers tied to premium automakers saw declines due to falling sales in China. The medical, electronics, and cosmetics sector also saw modest growth. Regional production of flexible moulded foam, including transport foam and furniture component foam, reached approximately 983,000 tonnes in 2024, an increase of 2.4% compared to the previous year.

### Rigid Foam

The Asia-Pacific region's demand for rigid polyurethane foam (PU) is primarily driven by refrigeration applications and the construction industry. In 2024, the APAC region produced 2.6 million tonnes of PU foam, a 2.9% increase year-on-year. China is the largest producer, accounting for 73% of total regional output. East Asia saw a 2.1% growth in rigid foam production in 2024, with muted growth in China and South Korea but declines in Japan and Taiwan. Southeast Asia and Oceania experienced a 5.3% increase in rigid foam production, with Indonesia recording the highest growth due to rising demand from the construction and refrigeration sectors.

South Asia experienced a good year for the rigid foam industry in 2024, with growth generally between 5-10% depending on the specific application. Future growth is expected to be similar or even higher, driven by panels for cold rooms, refrigerated transport,

warehousing/commercial complexes, clean rooms, and spray foam insulation for residential buildings. However, the market output dropped slightly in Pakistan.

The medium-term CAGR for the rigid foam industry is expected to be 3-4% across the region, with strong growth seen only in the refrigeration segment. Growth will pick up in Southeast Asia and remain dynamic in South Asia, particularly India. However, developments in Pakistan and Thailand may be affected by the volatile political and economic situation. In East Asia, growth in rigid foam production 2027 may reach again the pre-pandemic level.

## Elastomers

Polyurethane elastomers are used in various industries, including footwear, textiles, automotive, and more. In 2024, the Asia-Pacific region produced 5.1 million tonnes of PU elastomers, a 3.9% increase from the previous year.

China accounts for 86% of regional PU elastomer output, with South Korea, Vietnam, India, and Taiwan sharing the remaining production. Synthetic leather is the largest category, accounting for around 45% of PU elastomers. Asia-Pacific leads in manufacturing spandex, TPU, and footwear elastomers, while RIM/RRIM and technical microcellular elastomers are produced in smaller quantities.

Thermoplastic polyurethane (TPU) elastomers continued to perform strongly, with a 7.1% growth in 2024. Fibres/Spandex elastomers also experienced solid growth, while RIM/RRIM elastomers grew by 5.2%. Cast and footwear elastomers saw modest gains, while synthetic leather elastomers grew slightly by 1.7%. East Asia's production of PU elastomers was estimated at 4.7 million tonnes in 2024, with China's synthetic leather industry contributing to its 93% share.

## Coatings

Polyurethane coatings are primarily used in wood structures, furniture, construction, appliances, marine and automotive applications in the Asia-Pacific region. In 2024, the region produced 1.84 million tonnes of polyurethane coatings, with the wood and furniture market accounting for nearly 32% of the total production. East Asia produced 1.63 million tonnes, with China contributing 83% of the total. Southeast Asia remains price sensitive, with most raw materials imported from China. Roof, tank, and deck remain the largest end-use segment for PU coatings production in Southeast Asia and Oceania.

The market in South and Southeast Asia remains underdeveloped due to the popularity of traditional, cheaper paints and coatings. High raw material prices have intensified this issue, and future growth rates will heavily depend on price developments in the upcoming years. South Asia produced 24,000 tonnes of PU coatings in 2024, with the bulk made in India. The shift towards green products and sustainability has impacted the PU coatings market. Japan's trend is to transition from solvent-based polyurethanes to zero-VOC coatings or low-solvent paints, as well as lead- and chrome-free paints.

## Adhesives & Sealants

In 2024, the Asia-Pacific region produced approximately 1,044,400 tonnes of polyurethane adhesives and sealants, a 3.7% increase from the previous year. Adhesives made up 87% of total production, with the largest segments being flexible packaging adhesives and footwear adhesives. Vietnam and Indonesia were the largest producing countries in SEA and Oceania, while Indonesia, Malaysia, the Philippines, and Vietnam experienced good growth. Thailand had a negative scenario due to its economic growth behind ASEAN neighbours and losing manufacturing activity to other Asian countries.

In SEA and Oceania, footwear adhesives were the largest segment, with growth in all categories, but the fastest rise was in auto direct glazing sealants. Vietnam's increasing production of PU adhesives reflects urbanisation, infrastructure boom, energy efficiency, green building trends, automotive industry growth, and manufacturing expansion.

In East Asia, China accounted for the largest share of production, with flexible packaging adhesives accounting for 31% of total production. India led the South Asian PU adhesives and sealants industry, representing 95% of production in 2024. The demand for construction adhesives and sealants will continue to increase due to rapid urbanization and development in several Asian nations.

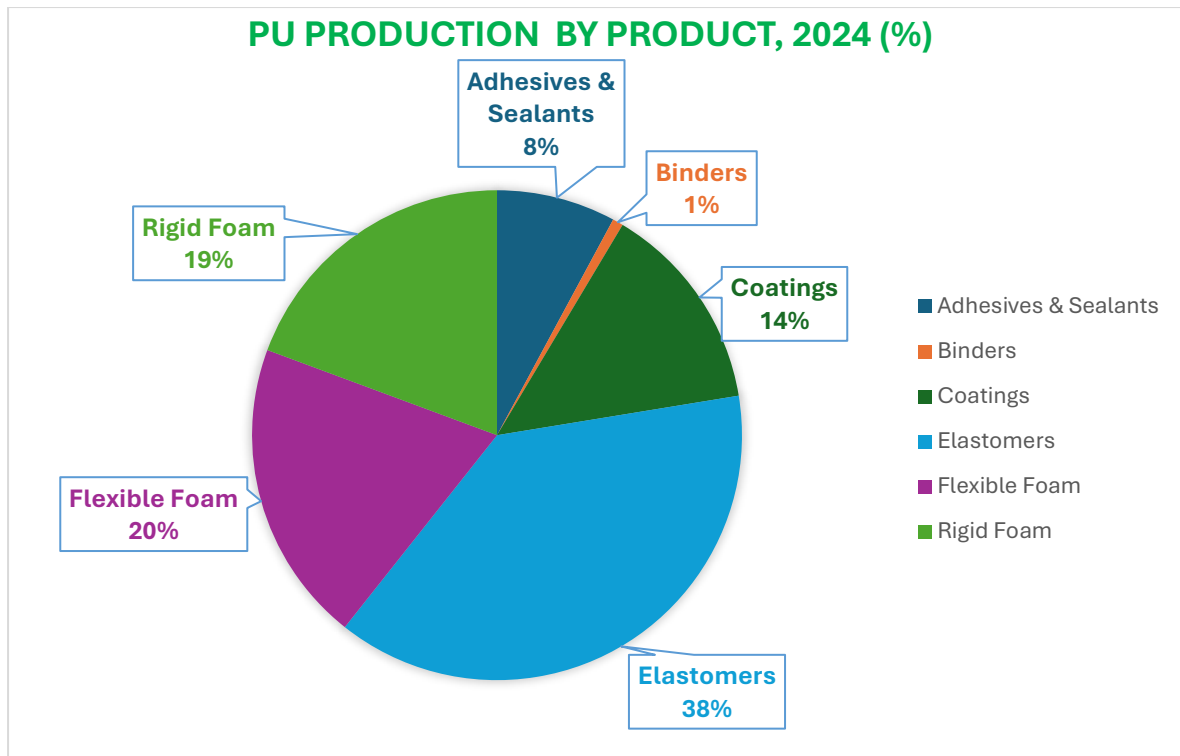
## Binders

In Asia-Pacific, demand for polyurethane binders is still low compared to that of other PU-based products; these binders compete with less expensive furan and urea-formaldehyde binders and have a limited set of uses.

The Asia-Pacific production of polyurethane binders saw a slight decrease of 0.5% in 2023 compared to the previous year. However, this overall regional performance was significantly impacted by a 10% decline in Taiwan and 3.8% decline in China's production. The strongest development was seen in India, where production showed a growth of around 9.4% in foundry core binders. Forest product binders accounted for over 50% of production, with a further 32% in foundry core binders.

Japan is the largest producing country in the region. There is very little production in Taiwan, and it is in the category of rubber crumb binders. China experienced a decline in polyurethane binder production for wood processing in 2023, attributed to reduced demand in the residential and office furniture sectors. The real estate downturn and economic weakness led to lower demand for home and office furnishings, despite government efforts to stimulate consumption, which impacted wood processing and PU binder demand.

The production volume of PU binders is relatively small in South Asia. Production is limited to India and the largest end-use markets are rubber crumb and forest products binders. In SEA and Oceania, demand for polyurethane binders is very small as the production of the related wood products remains low. The main use for PU binders comes from composite wood applications in Malaysia, and rubber crumb applications in Australia, Singapore and Thailand.



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The data in this eight-volume report include raw material consumption by product type, by region, by country and by major end-use industry. The Raw Materials volume contains comprehensive supply and demand data for all of the major polyurethane raw material types. The Major End-Use Markets volume contains an overview of the major markets for PU products and a summary of trends and drivers.

The report is available for the following prices:

	Price
<b>Volume 1 - Raw Materials</b>	<b>Only available with full report</b>
<b>Volume 2 - Flexible Foam</b>	<b>€5,700</b>
<b>Volume 3 - Rigid Foam</b>	<b>€5,700</b>
<b>Volume 4 - Coatings</b>	<b>€4,200</b>
<b>Volume 5 - Adhesives &amp; Sealants</b>	<b>€3,000</b>
<b>Volume 6 - Elastomers</b>	<b>€4,200</b>
<b>Volume 7 - Binders</b>	<b>€1,600</b>
<b>Volume 8 - Major End-Use Markets</b>	<b>€5,700</b>
<b>COMPLETE REPORT WITH DATABASE ACCESS (inc. Executive Summary)</b>	<b>€19,200</b>

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