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BASF will invest $13 bn, create 9,000 jobs in APAC

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Singapore: German chemical giant, BASF, is going to invest $13.08 billion (Ã?Â¢Ã¢â?¬Å¡Ã?Â¬10 billion) and create around 9,000 new jobs in Asia Pacific (APAC) as part of its strategy of "grow smartly". This is part of the firm's global "We create chemistry" strategy, which aims to achieve sales of $32.69 billion (Ã?Â¢Ã¢â?¬Å¡Ã?Â¬25 billion) to customers in the region by 2020. BASF estimates the cumulative annual growth rate (CAGR) for real chemical production through 2020 for Asia Pacific at 6.2 percent, well above the world average of four percent.

BASF will conduct around one quarter of its global research activities from Asia Pacific. By 2020, BASF plans to reach a total of around 3,500 R&D personnel in the region, up from around 800 in 2012. BASF is also establishing research facilities in the areas of electronic materials, battery materials, agriculture, catalysis, mining, water treatment, polymers and minerals.

Following the successful inauguration of the BASF Innovation Campus Asia Pacific in Shanghai, China, the company is currently considering establishing a second Innovation Campus Asia Pacific. More than $ 2.62 billion (Ã?Â¢Ã¢â?¬Å¡Ã?Â¬2 billion) in regional sales will be achieved through new business and acquisitions by 2020. Furthermore, by 2020, BASF aims for local production of approximately 75 percent of the products it sells in the Asia Pacific region in order to intensify its collaboration with and strengthen its supply position to customers in Asia Pacific.

BASF, which currently operates more than 100 production sites in the APAC, including two highly-integrated Verbund sites, located in Kuantan, Malaysia, and Nanjing, China, will invest in a range of efficiency measures that will save approximately $1.31 billion (Ã?Â¢Ã¢â?¬Å¡Ã?Â¬1 billion) annually by 2020. BASF is also planning to explore untapped markets in Mongolia, Laos, Myanmar, and Cambodia.

Dr Martin BrudermÃ?Æ?Ã?Â¼ller, vice chairman, board of executive directors, BASF, said that, "In the next decade, Asia Pacific will face huge challenges while remaining the fastest growing market for the chemical industry. With our Asia Pacific strategy, we are positioning BASF as the leading provider of sustainable solutions for the Asia Pacific region. Based on our strong global R&D network, we will considerably strengthen our innovation capabilities in Asia Pacific, enabling us to better serve our customers in all industries in the region."