



## **INTERLAKOKRASKA 2020**

SIBUR took part in Interlakokraska, the 2020 edition of the International Exhibition for Paints and Coatings.

At the beginning of March, Moscow's Expocentre hosted Interlakokraska 2020, this year's iteration of an exhibition which has made a name for itself as the key event in the industry and a pole of attraction for professionals. The 24th edition of the forum brought together 230 major suppliers of paints and coatings, raw materials, equipment and technologies from 18 countries. The total floor area of exhibition stands reached 3,700 sq m, with more than 20 events focusing on the development of the paint and coating industry included in the business meeting agenda.

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THE 24TH EDITION OF THE FORUM BROUGHT TOGETHER 230 MAJOR SUPPLIERS OF PAINTS AND COATINGS, RAW MATERIALS, EQUIPMENT AND TECHNOLOGIES FROM 18 COUNTRIES.

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A round table on the Russian Paint and Coating Market in 2020 discussed opportunities and potential for growth in the next few decades, noting market consolidation, digitalisation, a wider use of green technologies and increased investments in R&D, modernisation and production expansion as the key trends in the industry. Russia's Ministry of Industry and Trade is currently updating its import substitution plan to provide greater support to domestic producers of paints and coatings.

The general view is that the industry is firmly on the growth path: according to NIITEKHIM, production volumes in Russia have increased by 14% over the past three years. Exports also keep expanding, albeit at a slower pace: the demand is predominantly domestic, with the CIS countries remaining the most popular export markets. Imports of coats and paintings have decreased in all product categories. This is hardly surprising as production facilities in Russia continue to be underutilised, with the country well-placed to ramp up its output going forward.



*Speech delivered by Victoria Chernova, Development Director at Chem-Courier.*

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MARKET CONSOLIDATION, DIGITALISATION, A WIDER USE OF GREEN TECHNOLOGIES AND INCREASED INVESTMENTS IN R&D, MODERNISATION AND PRODUCTION EXPANSION ARE THE KEY TRENDS IN THE INDUSTRY.

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A change of heart towards environmental issues in the industry is signalled by the rising popularity of coatings made from water soluble materials, with both interior and exterior fit-out solutions becoming increasingly eco-friendlier. The majority of paint and coating producers are now considering the use of recycled materials for packaging as a way to promote circular economy.

In keeping with the long-established tradition, SIBUR was among the 150 Russian producers who attended Interlakokraska 2020. The Company offers more than a dozen types of raw materials for today's paint and coating manufacturers, with the majority of them designed for decorative and industrial finishing solutions. New products launched this year include DOTP (dioctyl terephthalate, produced mainly in Perm at SIBUR-Khimprom) and MAN (maleic anhydride, a new promising project of SIBUR Tobolsk). DOTP is used in paint dispersion, while MAN is sourced for production of coatings in a variety of market segments.





*SIBUR is an old-time participant of the exhibition.*

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Visitors at SIBUR's exhibition stand include long-standing customers from across the paint and coating production chain. The exhibition gives an opportunity to hold one-on-one meetings, discuss performance during the year and joint plans for the future, and share thoughts on the current market environment. With visitors and participants coming to Moscow from all over the country, we can maintain an ongoing dialogue with our customers. This enables us to quickly respond to any changes in the industry and better meet consumer needs.

2019 was a year of considerable successes for the paint and coating industry. Many companies took advantage of low feedstock prices to boost their margins and strengthen their market positions. As the major industrial exhibition draws to a close in spring, the market witnesses a seasonal surge in demand for paints and coatings. But with the coronavirus sweeping across the globe, market trends this year become far less predictable. Feedstock producers and suppliers look forward to the end of the pandemic and hope for the better. According to the experts, the paint and coating industry has a better chance of avoiding negative economic consequences compared to other sectors of the economy.



*Participants of Interlakokraska.*