

Chemicals

IMPORTANCE OF THE SECTOR

In 1991, the French chemical industry, with about 1,400 firms, realized a turnover of 373 billion French francs (\$76 billion), and represented the second biggest manufacturing industry after the automobile industry.

Between 1982 and 1991, the production of chemical products increased by 38%, while the industry as a whole excluding building construction, grew only 16%.

The French chemical industry's workforce is approximately 265,000 and this figure represents 7% of industrial employment. In 1991, investments grossed 23 billion French francs (\$5 billion), that is 12% of total investments in the industry. In fact, research and development represented 18% of total investments (19 billion French francs) (\$3,8 billion). The top grossing French companies include: Rhône-Poulenc, Atochem, Liquid Air, L'Oréal, Sanofi, Roussel-Uclaf, and Bayer-France.

In 1991, the sector's different interests represented:

| | Sales | Exports | Imports |
|-------------------------|-------|---------|---------|
| (Billion French Francs) | | | |
| Primary Chemical Pdts | 161 | 94,9 | 93,2 |
| Parachemistry | 118 | 38,4 | 24,2 |
| Pharmacy | 94 | 18,7 | 10,6 |
| Total | 373 | 152 | 128 |

Source: Union des Industries Chimiques

In 1991, the overall production increased by 2.3% in volume compared to 1990. Primary chemical products increased by 2.2% in 1991, parachemistry by 1.5%, while pharmacy profited from a 6.4% increase.

FOREIGN TRADE

Representing one-third of French industry's total profit balance, the chemical industry realized a positive balance of 24 billion French francs (\$5 billion). The average margin rate (E/I ratio) is 119.

Among the ten main foreign companies established in France; three are American (Dupont, Dow and Union Carbide), three are German (Bayer, Hoechst and Basf), one English (ICI), one Swiss (Ciba), one Italian (Montedison) and one Dutch (Das). No