Chemical companies find new opportunities by helping the automotive industry go "green"

Chemical companies can do more to support the automotive industry in going green whilst also opening new markets and sales channels for themselves. According to Frost & Sullivan, huge opportunities exist for chemical companies in the automotive sector as dramatic shifts in business models occur and the types of vehicles being produced change.

Electric vehicles provide just one example of many new revenue streams available to chemical companies this decade. However, chemical companies must develop products for the unmet needs of automotive OEMs rather than simply pushing an existing product in a new sector.

Despite pressure to lighten vehicles in order to meet CO2 emissions targets, metal remains the material of choice for automotive manufacturers, not only because it is traditional and easy to work with, but also because it may well be the best material to address increasingly stringent end of life of vehicle (ELV) legislation. “Plastics and composites need to be greener, more recyclable and sustainably sourced in order to meet future ELV targets and escape fiscal penalties,” states **Frost & Sullivan’s** Global Programme Manager for Transportation Chemicals, Robert Outram, in a new insight entitled Frost & Sullivan: Green Materials in the Automotive Industry. “Therefore, recycling, performance and sustainable production should be key focus points of R&D programmes with clear objectives and targets based on unmet needs.”

To increase the uptake of non-metallic parts in vehicles, chemical companies should be developing a strong, light and economically recyclable product made from sustainable sources and doing more to specifically address the needs of the automotive industry. **“BMW’s** joint venture with **SGL Group** to provide composites for its new electric vehicle fleet, **Nissan** starting its own electric battery production for its UK electric vehicles plant and **Caterpillar** producing its own line of hydraulic fluids for its plant vehicles are recent examples of OEMs taking matters into their own hands because the chemicals industry has failed to provide adequate materials for the automotive industry to use in future vehicle projects,” says Outram.

In addition to focusing more on innovation, the chemical industry needs to collaborate more closely in order to secure favourable legislation and to better educate the public and parliamentarians about the green aspects of chemicals and materials, for example plastics incineration as an alternative means of vehicle disposal. Chemical companies should consider pushing harder for enforcement of ELV legislation and also for the automotive industry to be subject to tight life cycle emissions measurements. After all, metal production and processing is one of the most energy intense processes on the planet.

Taking example from the agricultural sector, which has always dynamically leveraged its environmental lobbying capabilities to shape markets, the chemicals industry should lead from the front whilst lobbying about energy generation and green practices to shape the industry in favour of its own financial interest.

As the agriculture and chemical sectors begin to merge as sustainable sources of feedstock are sought, much can be learnt from the agriculture industry by the chemical companies. “Biodiesel production by big agricultural companies, for instance, has enjoyed tax rebates and political support while the oleochemical sector, which produces very similar fatty acid based products from identical vegetable oil feedstocks, has never organised itself properly to push for similar fiscal concessions based on green credentials,” according to Outram.

Adresse:
http://www.gupta-verlag.com/polyurethanes/news/industry/9126/chemical-companies-find-new-opportunities-by-helping-the-automot