

Investment Opportunity – Plastics Manufacturing

The Edmonton Metropolitan Region produces the majority of Alberta’s \$33 billion in annual petrochemical exports. This sector is expected to grow by \$30 billion by 2030. Access to feedstock and supported by provincial incentives, responsible plastics manufacturing is set to grow substantially.

By Q1 2022, the Edmonton Metropolitan Region will be the

**FIRST IN CANADA TO PRODUCE
POLYPROPYLENE**

*Dow announced
expansion of its ethylene
plant’s capacity by*

**130,000
TONNES PER YEAR**

*Trade
agreements
accessing*

**1.4 BILLION
CONSUMERS**

**CANADA’S LARGEST
HYDROCARBON
PROCESSING REGION**

**WORLD CLASS PETROCHEMICAL
EXPERTISE, FACILITIES AND
INFRASTRUCTURE**

**LOWEST CORPORATE
TAXES IN CANADA**

OPPORTUNITY

An increase in plastic dependency has fueled global production of plastic resins and fibres, growing at a compound rate of 8.4% annually. Additionally, the COVID-19 pandemic has caused an increase in single-use plastic including ramped up production of personal protective equipment (PPE).

Supply chain disruptions have resulted in shifts to nearshoring of essential manufacturing supply.

According to a recent site selector’s survey, 64% of manufacturers are “more likely” to bring manufacturing back to North America.

Innovative technologies such as 3D printing and micro-devices have led to new uses and applications for plastic.

EDMONTON METROPOLITAN REGION VALUE PROPOSITION

WELL ESTABLISHED WORLD-CLASS PETROCHEMICAL CLUSTER

- The Edmonton region is home to Alberta's Industrial Heartland – Canada's largest hydrocarbon processing region, including over 40 companies producing petrochemicals, fuel and fertilizer.
- Alberta's Industrial Heartland expects an additional \$30 billion in investments by 2030.
- The service area for the Edmonton Metropolitan Region currently has \$172 billion in projects underway.

\$172 BILLION
IN PROJECTS

CURRENTLY UNDERWAY WITHIN THE SERVICE
AREA OF THE EDMONTON REGION

SKILLED WORKFORCE AND EXPERTISE

- The Edmonton region is home to one of the world's largest populations of qualified engineers working in the energy, petrochemical and plastics industries.
- Post-secondary institutions in the region have extensive expertise in producing a skilled workforce for the plastics sector.

GOVERNMENT SUPPORT AND INCENTIVES

- Municipal, provincial and federal programs have indicated a desire to secure domestic production of PPE to ensure security of supply long-term.
- Alberta Petrochemicals Incentive Program (APIP)
 - Designed to attract value-add petrochemical investments and continued growth in the advanced chemical manufacturing sector. Plastics investments over \$50 million may qualify for this program.
 - The projected growth for this sector will continue to make the region more attractive for technology development.
- Accelerated Capital Cost Allowance
 - Allows companies to write off 100% of investments in manufacturing and clean energy equipment in the first year.

ECOSYSTEM SNAPSHOT

SUBSTANTIAL MULTI-NATIONAL INVESTMENT

- Current capital investment is valued at over \$40 billion by multinationals including:
 - Dow Chemical
 - Inter Pipeline
 - Pembina
 - Suncor
 - Wolf Midstream
 - TC Energy

TRANSPORTATION HUB

- CP rail
- CN rail
- Trucking
- Air Cargo

**DIRECT ACCESS TO MAJOR
NORTH AMERICAN MARKETS
AND PORTS PROVIDES
CONNECTIONS TO WORLD
MARKETS**

REGIONAL CLUSTER

- Well established cluster including:
 - Alberta's Industrial Heartland
 - Edmonton Energy and Technology Park
 - Strathcona Industrial Area
 - 7 universities, colleges, and polytechnics with expertise in energy, chemicals, engineering, manufacturing, and AI

Contact Edmonton Global's Brent Jensen to receive a detailed business case and competitiveness scan for plastics manufacturing investment opportunities in the Edmonton Metropolitan Region.

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