

Saxony-Anhalt – Land of Chemistry

Chemistry and plastics processing industry
in Saxony-Anhalt



Contact

CeChemNet

coordinated by isw GmbH

Fiene Grieger

Hoher Weg 3

D-06120 Halle (Saale)

phone: +49 (0) 345-29 98 27 18

fax: +49 (0) 345-29 98 27 11

e-mail: info@cechemnet.de

web: www.cechemnet.de

Cluster Chemie / Kunststoffe Mitteldeutschland

coordinated by isw GmbH

Dr. Gunthard Bratzke

Andreas Dockhorn

Hoher Weg 3

D-06120 Halle (Saale)

phone: +49 (0) 345-29 98 27 26

fax: +49 (0) 345-29 98 27 11

e-mail: cluster-chemie-kunststoffe@online.de

web: www.cluster-chemie-kunststoffe.de

Verband der Chemischen Industrie e.V., Landesverband Nordost

RA Dr. Paul Kriegelsteiner

Hallerstraße 6

D-10587 Berlin

phone: +49 (0) 30-34 38 16-0

fax: +49 (0) 30-34 38 19-28

e-mail: kriegelsteiner@lv-no.vci.de

web: www.nordostchemie.de

Gesamtverband Kunststoffverarbeitende Industrie e. V.

Dr. Reinhard Proske

Kaiser-Friedrich-Promenade 43

D-61348 Bad Homburg

phone: +49 (0) 61 72-92 66 61

fax: +49 (0) 61 72-92 66 74

e-mail: info@gkv.de

web: www.gkv.de

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Editorial

Dr. Reiner Haseloff
Dr. Paul Kriegelsteiner
Dr. Reinhard Proske





The chemical and the plastics industry are important pillars of economy in Saxony-Anhalt. Together they account for more than a fifth of turnover and employees in processing businesses. Thereby companies of both branches can look back at an eventful, yet all in all successful year 2008. Despite partly strong collapses in the fourth quarter caused by the worldwide financial crisis. All things considered, the chemical and plastics industry is in credit concerning turnover and employment. A look into the future, however, is characterized by uncertainty, as it cannot reliably be predicted how strong the crisis will be reflected in both branches as well in Saxony-Anhalt as in general. It is certain that the bad state of economy will influence several companies of the chemical and plastics industry to a varying extend depending on their scope of interaction with other economic sectors. In total we probably have to prepare for decreases in turnover in 2009.

As knowledge becomes more and more a decisive factor of production, investing in innovation is one way to emerge reinvigorated from the current economic crisis. That is also expressed in a whole package of Land Government financial assistance programmes for building and in extending a research infrastructure. Latest example: At Leuna site Land and Fraunhofer Institute plan the Chemical-Biotechnological Process Centre (CBP), which shall enable companies to replace oil by renewable primary products such as straw, timber and micro algae in industrial dimensions. It costs about 50 million euro. Securing the future need for skilled workforce has to stay at the top of entrepreneurial and political agenda independently of the economic drop. Therein I see one of the most important responsibilities for economy in Saxony-Anhalt.

Dr. Reiner Haseloff
Minister for Economic Affairs and Labour of Saxony-Anhalt

„We can rely on the achievements of the Eastern German chemical industry and its Clusters also in future.“



Saxony-Anhalt is and will remain the heartland of the Eastern German chemical industry. Also the current economic crisis will not change that fact. Thus, the defining branch of raw material chemistry was confronted with a strong fall in demand at the end of 2008. Nevertheless when having regard to volume, the chemical industry took second place within process industry in Saxony-Anhalt. Furthermore it offers more than 30 percent of the Eastern German employees in chemistry a modern and good workplace. Nowhere else people and politics accept the chemical industry better than in Central Germany.

In these uncertain times we presently work in, companies look for a reliable basis. They find it in the Land's well-trained skilled workers. Apart from that we need strong ideas, new paths and the courage to tread them. All this is outstandingly well realized within the Cluster. Cooperation in efficient networks is one of the keys to emerge assured from the crisis.

The (chemical) industry is the dynamo of progress. By innovation chemistry makes life easier, more comfortable and healthier. It produces quality of life and shapes the future. We have to save resources and energy, want to protect the climate and improve our quality of life at the same time. Our participants work on new technologies for more efficient production processes and for better goods to succeed therein.

Dr. Paul Kriegelsteiner
CEO Landesverband Nordost, Association of the Chemical Industry (VCI)



With 292.000 employees in more than 2.900 companies and an annual turnover of 54 billion euro the plastics processing industry is one of the most important economic sectors in Germany. Together with producers and machine constructors of plastics the sector has even a share of seven percent in German industrial production. The GKV considers the improvement of public and political awareness of this highly innovative growth industry and the representation of its interests as one of its main tasks.

By the newly founded Economical Association of Plastics (WVK), in which the whole value-added chain of plastics – represented by GKV, PlasticsEurope Germany and Plastics- and rubber machines (sub-organisation of VDMA) – cooperates, we can pursue that aim on an even wider base. The development of the plastics processing industry in Saxony-Anhalt is unquestionably a success story. By available know-how and the investments of the nineties, key competence areas with highly modern plants have been developed. The GKV looks back at cooperating several times with Saxony-Anhalt, home of plastics, and considers the work of the regional clusters to be a sensible and important enlargement to the national industry associations' activities. Linking up economy and the scientific community plus resulting synergies are necessary especially for the many small- and medium-sized businesses. No matter whether on regional or national level: We have one aim in common, to secure the competitiveness of plastics industry in Germany, especially in the current heavy economic situation, and to update its success story. Therefore I look forward to future cooperation.

Dr. Reinhard Proske
President General Association of the Plastics Processing Industry (GKV)

The Dynamo of Economy in Saxony-Anhalt

Chemical and plastics industry with a high sales productivity

Saxony-Anhalt is the heartland of Central German chemistry. Its tradition of chemical and plastics industry is not the only point in favour. The chemical and plastics branch is one of the Land's leading economic sectors. About 200 companies taken en masse produced more than a fifth of the processing businesses' total turnover in Saxony-Anhalt in 2008. The share in export turnover is even a third. Looking at the other New Laender (without Berlin) shows similar results. Chemical businesses in Saxony-Anhalt generate the same volume as all those other Laender's chemical businesses together. The producers of rubber and plastics commodity reach a fourth of the total turnover in Eastern Germany by comparison.

The chemical industry's high sales productivity is striking. With almost 414.000 euro per employee in 2008 it is not only more than 100.000 euro higher than at the turn of millennium, but exceeds the all-German value for years. Also the plastics processing industry meets a higher sales productivity compared to the all-German average. The success story of both branches is also to be seen in the development of total turnover. Between 1998 and 2008 the plastics processing industry increased their turnover figures by 12 percent. During the same period the chemical industry increased their turnover figures by more than ten percent. The all-German branches run clearly far behind. These strengths of the chemical and plastics processing industry in Saxony-Anhalt can be traced back to high investments, resulting in an intense modernisation of plants, very well qualified employees and efficient forms of organization, as they for example had been found in the chemical parks.

The chemical and plastics branch in Saxony-Anhalt is characterized by small- and medium-sized businesses. Only ten percent of all chemical businesses are regarded as large-scale companies. Yet with the majority of employees they produce more than a half of turnover. In the plastics processing industry, however, first of all medium-sized companies generate the largest business volume. They do also employ the majority of staff. Also after the break of development trend caused by the crisis it is to be assumed that the success story of the chemical and plastics processing industry will be continued, based on modern plants and a high-quality infrastructure.

Saxony-Anhalt is the heartland of Central German chemistry.

Saxony-Anhalt – Land of Chemistry



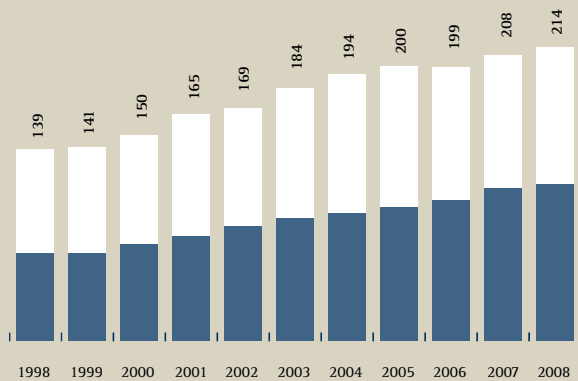
Production of chemical goods
Production of rubber and plastics commodity

Source: Statistics Agency Saxony-Anhalt

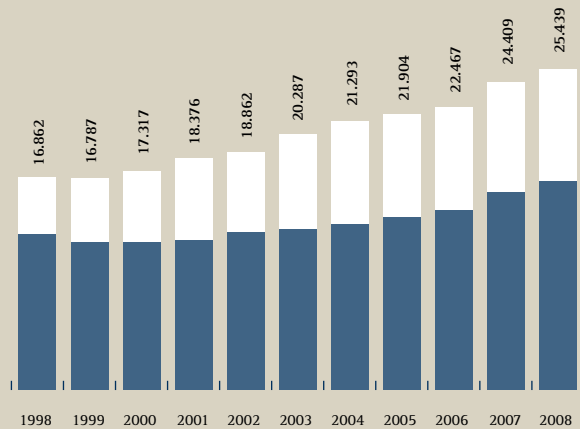
Calculation: isw GmbH

Note: companies with 20+ employees

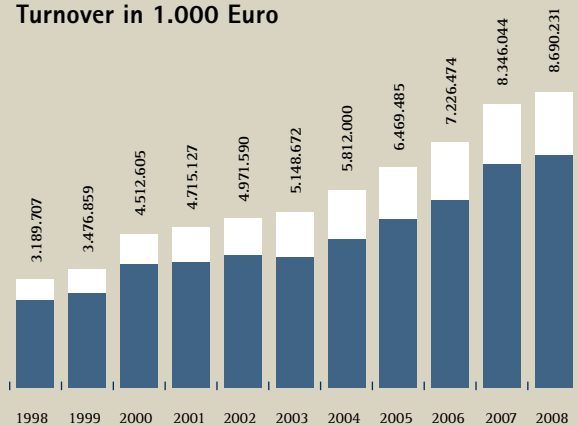
Number of companies



Employees in 1.000

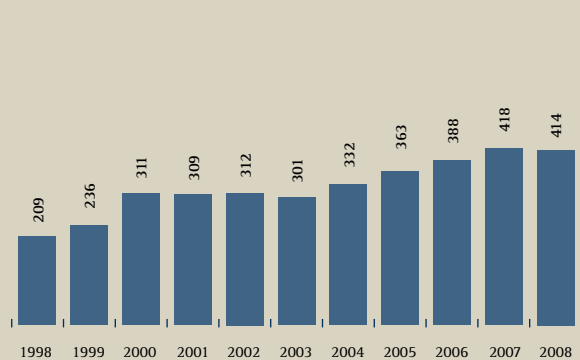


Turnover in 1.000 Euro



Sales productivity

Turnover per employee in 1.000 Euro



Pipeline Stade - Central Germany

Pipeline Rostock - Böhlen

Pipeline Rostock - Schweitt

Ethylene
Refinery Products

Schkopau
Polymers
Chemicals

Piesteritz
Nitrogen Products

Bitterfeld-Wolfen
Inorganic Products
Chlorine Products
Specialties
Silicon

Ethylene, Propylene, Butadiene, Aromatics
Hydrogen, technical Gases
Ammonia, Carbamide
technical Gases
Hydrogen, technical Gases

Chlorine
Hydro chloric acid
Nitric acid, Ammonia

Böhlen
Cracker
Acrylic acid
Aniline
Hydrocarbon Resins

Zeitz
Adipic acid
Nitric acid
Cyclohexanone
Base Oil/Refinery
Special Waxes
Glues/Adhesives

Ethylene
Hydrogen
Naphtha

Leuna
Refinery
Polymers
Base Chemicals
Catalysts
Specialties
technical Gases

Hydrogen, technical Gases
„Drushba“ Crude Oil-pipeline
Methanol
Adipic acid

Pipeline Litvinov - Böhlen

Schkopau
Polymers
Chemicals

Leuna
Refinery
Polymers
Base Chemicals
Catalysts
Specialties
technical Gases

Schwarzheide
PU basic products and systems
Plastics
Foams
Crop-protection agents
Water-based coatings

Hydro chloric acid



Feedstock Integration in the Central German Chemical Triangle

Chemical Parks in Saxony-Anhalt Both Birthplace and Pioneer

Chemical expertise is characterized by specific know-how

The Central German chemical sites are pioneers in a global process of reconstruction within the chemical industry. A decade-long chemical tradition as well as the most modern chemical plants across Europe, resulting from the Eastern German chemical industry's process of reconstruction, is behind it. From the beginning of the nineties until the year 2007, investments of the amount of 17 billion euro were made at sites in Saxony-Anhalt – Leuna, Bitterfeld-Wolfen, Schkopau, Zeitz and Böhlen (Saxony) and Schwarzheide (Brandenburg) into rehabilitation and new construction of infrastructure and production plants. These major chemical sites employ more than 28.000 people today. That dynamic development goes on as for example at Leuna site another 140 million euro have been invested since 2008, projects worth 415 million euro have already been started, and four investment plans worth more than 110 million euro have been announced until 2012. Also at ChemiePark Bitterfeld-Wolfen it is intended to expand four companies with 200 million euro in all until 2012. Not only sites but also chemical parks belong to the most important initiators of regional economic development.

The Chemical Triangle has a chemical park area of 5.500 ha and provides a vast potential of raw material and synergy that is used by all companies together. By a raw material pipeline of 430 kilometres beginning at Baltic Harbour Rostock chemical sites as Böhlen and Schkopau are connected to a global flow of material and commodity. That offers best conditions for new business locations. More than 30 new and follow-up investments have been completed or are planned in the Chemical Triangle since 2005. Thus, another 650 million euro will be invested and more than 1.200 new jobs created by 2008.

The region's chemical expertise is characterized by specific know-how, which results from successfully overcoming a complex transformation process: Central Germany is the "birthplace" of the chemical park concept. It has been realized for example by establishing chemical park operators such as InfraLeuna GmbH, Zeitzer Standortgesellschaft mbH, ValuePark® of Dow Olefinverbund GmbH, P-D ChemiePark Bitterfeld-Wolfen GmbH, and by opening the site BASF Schwarzheide for investors.

These chemical sites pursue new ideas of their cooperation. In 2002 they founded the Central European Chemical Network CeChemNet with the help of the government of Saxony-Anhalt. By their experience, their services and products chemical park operators and chemical companies enable new businesses locations to immediately concentrate on an efficient production of innovative commodity. After a successful reorganization the chemical sites in Central Germany pass through a new development phase, which is characterized by an even stronger orientation towards innovation. The Central German chemical sites of CeChemNet take the approach of chemical parks as "knowledge sites": Thereby every site within the network aspires to its own main focus in the field of research and development (R&D). Under the umbrella of CeChemNet additional potential for value are offered by such different profiles in R&D. In terms of establishing a "network of innovative sites in the Central German Chemical Triangle" this process supports a prominent image of having a unique feature in global competition for new and follow-up investments.

Central Germany – Home of Chemistry

Central Germany is home of chemistry: There are 750 chemical and plastics businesses across Saxony, Saxony-Anhalt and Brandenburg. More than a half of them cooperate directly or indirectly in the Cluster Chemistry/Plastics Central German, which bundles and coordinates its participants' powers. The economy-initiated cross-regional networking platform has been founded in 2003. There are large-scale as well as small- and medium-sized businesses working together, also do so their associations, education and research institutions, service providers, politics and administration. The future cluster builds on established network structures and cooperation. Its activities are aimed at developing value-added chains and how they get established from research over raw materials up to final products. In general clusters are characterized by concentrating value-added chains, especially in Central Germany, where the corporate landscape is characterized by chemistry. There are 300 producers of chemical commodity. 500 companies produce rubber and plastics commodity. Together they employ about 81.000 staffs. Other clusters in Central Germany, with whom the Chemistry/Plastics Cluster cooperates, work in solar businesses, automotive engineering, logistics, optoelectronics, machine and plant building, biotechnology and in the sector of mining and energy. Twelve universities, ten non-academic research institutions and six expertise centres with specific profiles are the players of the cluster process Chemistry/Plastics.



„Once again Central Germany becomes a centre of expertise for polymer production and –processing. Innovative businesses and established research institutions are the basis for a sustainable development of the region“ – as Dr. Christoph Mühlhaus, the cluster board spokesman and retired CEO of Dow Olefinverbund GmbH, describes the cluster members' future vision.

They are convinced that the Central German Chemical Triangle has the chance to develop to an internationally competitive chemical and plastics region. It is as attractive for new business locations as for offering existing businesses and institutions opportunities for better market positions. An outstanding research landscape, a modern and innovation-oriented infrastructure and innovative powers of plastics producing and processing businesses are a sustainable basis for it.



Features of the Cluster Chemistry/Plastics Central Germany

Pioneer global structural change of chemical industry,

Cross-sectional with chemical and plastics processing industry,

Participation of employers' associations **VCI** and **GKV** as well as **IG BCE***,

Cross-regional with companies and networks from the federal states of Saxony, Saxony-Anhalt, Thuringia and Brandenburg,

Integration of networks of chemical and plastics processing industry,

Strategy dialogs include **Land Governments**,

Internationally positioned by active collaboration with the **ECRN***.

*

VCI: Association of the Chemical Industry
GKV: General Association of the Plastics Processing Industry
IG BCE: Industrial Union of Mining, Chemistry, Energy
ECRN: European Chemical Regions Network

Cross-sectional Added Value as Dynamo of Growth

Innovations emerge more and more at the interface to other sectors.

Taking that into account the Cluster Chemistry/Plastic Central Germany

cooperates amongst others with players from the following sectors:

Automotive

Mining/Energy

Biotechnology

Logistics

Machine- /Plant Engineering

Optoelectronics

Solar Technology

Medical Engineering

Greater Demands – New Structure



Since the platform's founding in 2003 the demands on the Cluster increased distinctively. Hence, with the beginning of 2009 a new structure has been established: The sectors of Chemistry, Plastics, Chemical Parks and Feedstocks have each an own spokesman. This enables a closer cooperation with associations and representatives of other branches.

Dr. Christoph Mühlhaus

is the Cluster's spokesman since its founding in 2003, which essentially goes back to him. Until his retirement he was CEO of Dow Olefinverbund GmbH.

www.cluster-chemie-kunststoffe.de



Andreas Hiltermann

takes responsibility for the sectors of Chemical Parks and Feedstocks. The CEO of InfraLeuna GmbH represents the chemical parks network CeChemNet, a major interest group within the Cluster.

www.infraleuna.de



Wolfgang Blümel

is spokesman for the sector of Chemistry. The graduate engineer is DGM of the Association of Chemical Industry, Landesverband Nordost.

www.nordostchemie.de



Dr. Gunthard Bratzke,

the CEO of the isw Corporation for Scientific Advise and Service in Halle offers comprehensive academic backing.

www.isw-gmbh.de



Dr. Reinhard Proske

represents the sector of Plastics. He studied chemistry at the Clausthal-Zellerfeld University of Technology, where he also obtained his doctorate on engineering. Dr. Proske is the founder and chairman of CircleSmart-Card AG and since 2004 President of the General Association of the Plastics Processing Industry (GKV).

www.gkv.de



Strategy Dialog as Model

The Cluster's work is characterized by close cooperation with all players and especially by the dialog with the Land Government. The Cluster Chemistry /Plastics Central Germany realizes the following ideas:

Coordination and Cooperation

This field supports to connect persons already involved and also to integrate new partners.

New possibilities of cooperation are identified along the value-added chain, and building up new networks is initiated. Moreover cross-sectional cooperation with other clusters is encouraged.

Forming strategies

It is aimed to recognize and name the cluster players' interests. Together with the Land Government cluster strategies shall be developed. Needful operation and implementation measures have to be derived from that. The strategy dialog with the government of Saxony-Anhalt is taken as model. In the coalition agreement of 2006 between CDU and SPD the coalition partners judge the current strategy dialog as exemplary for the cooperation of economy and politics.

Innovation

A Central German innovation landscape, which is determined by chemistry, shall be developed.

Founders, companies and scientists are purposefully supported, and by a roadmap process the main research of universities and institutes is suited to the innovation need of firms. Innovation transfer and an enlarged attendance at support programmes are especially promoted. Moreover the IQ Cluster Innovation Prize (Prof. J. Nelles Prize) is awarded once a year.

International Contacts

Small- and medium-sized businesses are supported in establishing international contacts. Beyond that cooperating with the European Chemical Regions Network (ECRN) is a main focus of cluster work.

Participating in EU cooperation projects and EU support programmes is promoted. The Cluster Chemistry /Plastics actively accompanies initiatives on European level, e.g. the High Level Group for competitiveness of chemical industry, the ChemLog initiative for building up a Central- and Eastern European feedstock integration by developing chemical logistics, and ChemClust – a platform for exchanging experience in cluster and innovation politics.

Public Relations

The cluster initiates topic-oriented events and also provides opinion making and lobbying.

The Chemical and Plastics Industry of Saxony-Anhalt is a Varied Landscape

Many research and development institutions are located near to large production plants – centred in the Land's south

The map of the research and development institutions of the chemistry and plastics branches across Saxony-Anhalt is a varied one. It shows the concentration as well as the diversity of institutions. Even if most of them are located in the Land's south, and even though there are white gaps, establishments as the Centre of Fibre Compounds Haldensleben, the Institute for Varnish and Coating in Magdeburg, the Institute for Plastics Technology and Plastics Recycling in Weißandt-Görlau or the Agrochemical Institute Piesteritz (AIP) show, that Saxony-Anhalt as a whole is the home of chemistry and plastics.

Halle is of special meaning. Located next to the chemical sites of Bitterfeld, Schkopau and Leuna, the city is a centre of institutions for research and teaching. As there are for example the Martin-Luther University Halle-Wittenberg with its institutions and chairs especially in chemistry, the Fraunhofer Institute for Mechanics of Materials (IWM) Halle as well as the Max Planck Institute for Microstructure Physics (MPI).

Also the city of Merseburg attracts research institutions. The University of Applied Sciences Merseburg (FH) makes its name more and more towards chemistry and plastics. The Fraunhofer Pilot Plant Centre for Polymer Synthesis and Polymer Processing (PAZ), the Academy Central German Plastics Innovation (AMK), the Institute for Polymer Feedstocks e.V. (IPW) and the Plastics Competence Centre Halle/Merseburg (KKZ) operate close to industry in Schkopau. The Institute of Commodity Reclamation (IfN) works close to Zeitz in Elsteraue.

At Bitterfeld-Wolfen site the Science and Technology Park (TGZ) provides good opportunities for business locations. In Merseburg the Centre of Innovation and Technology offers young employers excellent conditions when starting their economic independence, whereas Halle provides the Technology and Start-up Centres at Weinberg Campus.

Facing the tradition as well as the Land's concentration of chemistry and plastics producing companies and their institutions, it is not surprising that also many cross-regional networks in the chemical and plastics branch run their offices in Saxony-Anhalt. As e.g. the Central European Chemical Network CeChemNet, the Innovation Cluster „Polymer Technology“ Halle-Leipzig or POLYKUM, the Association for the Promotion of Polymer Development and Plastics Engineering in Central Germany, respectively.

Players Saxony-Anhalt



Haldensleben ● 17

Magdeburg ● 8

Wittenberg ● A

Bernburg ● 1 3 19

Weißandt-Görlau ● 7

Bitterfeld-Wolfen ● B

Halle/Saale ● 4 12 14 20

Merseburg ● 6 10 11 13 15 16 18

Schkopau ● 5 C

Leuna ● 2 D

Chemical Sites

- A Agro-Chemiepark Piesteritz
 - > Nitrogen production (SKW), Melamine production (AMI), Agrochemical Institute (ACI) www.skwp.de
- B ChemiePark Bitterfeld Wolfen
 - > Varnish feedstocks, pharmaceutical products for self-medication, ion exchangers www.chemiepark.de
- C Dow ValuePark®
 - > Dow: synthetic rubber, PET, polypropylene, processing of polystyrene, polyethylene Plastics (granules) in ValuePark®
 - > Dow Competence Centre for Synthtic Rubber, Dow Competence Centre for PET, PAZ Fraunhofer Pilot Plant Centre for Polymer Synthesis and Polymer Processing www.dow.com/valuepark
- D Chemical site Leuna
 - > Production of mass-produced and specialty chemicals, plastics, plastics additives, adhesives, resins, fuels, chemical catalysts, lubricants, technical gases, power generation www.infraleuna.de
- E Chemie und Industriepark Zeitz
 - > Adipic acid production (Radici), adhesive production, production of waxes and additives, Competence Centre for industrial-scale biotechnology and biomass production www.industriepark-zeitz.de

Research and Development

- 1 Agrochemical Institute Piesteritz e.V. (AIP) | www.aip.uni-halle.de
- 2 Chemical-Biotechnological Process Centre (Fraunhofer CBP), Leuna | www.igb.fraunhofer.de; www.infraleuna.de
- 3 CPI ChemiePark Institut GmbH, Bitterfeld-Wolfen | www.cpi-bitterfeld.de
- 4 Fraunhofer Institute for Mechanics of Materials IWM Halle, Halle (Saale) | www.iwm.fraunhofer.de
- 5 Fraunhofer Pilot Plant for Polymer Synthesis and Polymer Processing PAZ, Schkopau | www.polymer-pilotanlagen.de
- 6 UAS Merseburg (FH), Department INW Engineering and Natural Sciences, Merseburg | www.fh-merseburg.de
- 7 Institute for Plastics Technology and –recycling e.V. (IKTR e.V.), Weißandt-Görlau | www.iktr-online.de
- 8 Institute for Varnish and Coating e.V. (ILF), Magdeburg | www.lackinstitut-magdeburg.de
- 9 Institute of Commodity Reclamation (IfN), Elsteraue OT Tröglitz | www.ifn-gmbh.info
- 10 Institute for Polymer Feedstocks e.V. (IPW), Merseburg | www.ipw.uni-halle.de
- 11 Plastics Competence Centre Halle/Merseburg (KKZ), Merseburg | www.kkz-halle-merseburg.de
- 12 Martin Luther University Halle-Wittenberg, Institute for Technical Chemistry and Macromolecular Chemistry, Halle (Saale) | www2.chemie.uni-halle.de
- 13 Martin Luther University Halle-Wittenberg, Chair for Plastics Engineering, Merseburg | www.kunststofftechnik.uni-halle.de
- 14 Max Planck Institute for Microstructure Physics Halle (MPI) | www.mpi-halle.mpg.de
- 15 Polymer Service GmbH Merseburg (PSM), Merseburg | <http://polymerjoppnet2.biz/>
- 16 Academy Central German Plastics Innovation AMK, Merseburg | www.hs-merseburg.de/amk/
- 17 Centre for Fibre Compounds Haldensleben GmbH (ZFH), Haldensleben | www.zfhaldensleben.de

Technology and Start-up Centres

- 18 The Merseburg Innovation and Technology Centre GmbH (mitz), Merseburg | www.mitz-merseburg.de
- 19 Science and Technology Park (TGZ) Bitterfeld-Wolfen GmbH, Bitterfeld-Wolfen | www.tgz-chemie.de
- 20 Technology and Start-up Centres and BioCentre at weinberg campus Halle | www.weinbergcampus.de

Central German Networks

- > 4chiral – Network | www.4chiral.net
- > CeChemNet – Central European Chemical Network | www.cechemnet.de
- > Innovative Brown Coal Integration Central Germany ibi | www.ibi-mitteldeutschland.de
- > Innovation Cluster "Polymer Technology" Halle-Leipzig | www.fraunhofer.de/institute-einrichtungen/innovationscluster/Polymer-technologie.jsp
- > Innovativer Regionaler Wachstumskern – ReactiveWetCoating 2 | www.wetcoating.de
- > Central German Network Rapid Prototyping | www.rp-netzwerk.de
- > NEMO NETWORK "Nano-NaRo-Polymer-Products" | www.nano-naro-polymer-products.de
- > POLYKUM e.V. "Association for the Promotion of Polymer Development and Plastics Engineering in Central Germany" (Saxony-Anhalt) | www.polykum.de
- > Special-purpose Association for the Promotion of Mechanical and Process Plant Engineering FASA e.V. | www.fasa-ev.de

5

Chemical Parks

ChemiePark Bitterfeld-Wolfen, Chemical site Leuna, Dow ValuPark® Schkopau/Böhlen,
Agro-Chemiepark Piesteritz, Chemie und Industriepark Zeitz

15

Research Competence Centres

See page 17

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Companies

Number of chemical processing and rubber and plastics processing companies in Saxony-Anhalt in 2008

Source: Statistics Agency Saxony-Anhalt

Note: companies with 20+ employees

25.439^{*}

Employees

Number of employees in the sector of producing chemical goods and rubber and plastics commodity in Saxony-Anhalt in 2008

^{*}Additional effects on the development of employment by up- and downstream branches

Source: Statistics Agency Saxony-Anhalt

8.690.231.000

Euro Turnover 2008

Turnover in the sector of producing chemical goods and rubber and plastics commodity in Saxony-Anhalt in 2008

Source: Statistics Agency Saxony-Anhalt

0

Days on strike

In the chemical and plastics processing industry in Saxony-Anhalt in 2008

Short Ways to Markets and Suppliers

Chemical logistics are getting more and more important for Saxony-Anhalt

Since the eastern European expansion of the EU Saxony-Anhalt is in the centre of the European Economic Area. Due to its geographical location ten out of 17 traffic projects “German reunification” are passing the Land. There are five rail-, four road- and one waterway project. Among an employer-friendly policy of new business locations, fast approval procedures, it is the outstanding traffic infrastructure that provided the Land to become a hub of international logistics. It becomes more and more significant as a junction of transport and logistics between east and west. The new freight junction of DHL (logistics subsidiary of Deutsche Post) at the Intercontinental Airport Leipzig/Halle is an important instance. It is for the south of Saxony-Anhalt as important as the extension of docks in Magdeburg for the Land’s north. The ways to suppliers and markets in the east as well as in the west are comparatively short.

Also the chemical and plastics processing industry profits by Central Germany's development into a hub of logistics. About ten million tons of chemical goods have been trans-shipped in Saxony-Anhalt in 2002, and even 25.5 million tons in 2007. In the following years a freight transport volume of 50 to 55 million tons annually is intended. In any other freight branch of Saxony-Anhalt a similarly high dynamic is to be seen.

Excellent conditions for shifting the chemical industry's traffic flows have been created by a new terminal for combined road and rail traffic at ValuePark® near Schkopau. The Central German chemical sites have a long-range pipeline system at their disposal. Dow Chemical pipelines for raw material supply extend to the coasts. All that meets the chemical logistics' special needs. To improve access to future markets especially in Eastern Europe the logistic structures in Saxony-Anhalt are expanded in view of current and forthcoming commodity flows. Another terminal with national as well as international orientation shall be built at Leuna site.

Railway and inland waterway transportation gets more and more important for trans-shipping chemical goods. Centres of logistics have to be expanded and interlinked for attracting investors. The Land Government presses for the rail connection Erfurt – Halle/Leipzig to be finished. Furthermore it campaigns European pipeline networks. Like connections to and across the Baltic States, to Russia, Belarus and the Ukraine on one hand and connections to the Czech Republic and farther to the southeast European states on the other hand, as the Land Government's logistic concept states. Alternatively combined transport chains to the Baltic harbours would be suitable.

To cope with the fast growing meaning of logistics for the chemical industry, the project ChemLog has been developed by the European Chemical Region Network ECRN and the Cluster Chemistry/Plastics Central Germany together with the government of Saxony-Anhalt.

ChemLog is a European cooperation project between regions chemical associations and research institutions across Germany, Poland, the Czech Republic, Slovenia, Hungary, Austria and Italy. It intends to strengthen the chemical industry's competitiveness by better surrounding conditions for logistics in Central and Eastern Europe.

Change in Chemistry Protects Environment

Industry promotes a sustainable development – water consumption, air pollution and waste drastically reduced since 1990

Nowadays Saxony-Anhalt's modern chemistry minimizes environmental pollution to an increasing degree. Extensive investments into modern plants and procedures, in which measures for environment protection have been already integrated into the process, provided for that. It has not always been this way. Up to the structural change in 1990, the chemical industry in the territory of the today's New Laender has been the number-one polluter. That had many reasons, as brown coal had been the main energy source in the GDR. The carbide chemistry had been considered as starting point for synthetic chemistry. Furthermore there was no considerable petrochemistry. Chemicals had been produced over many stages of synthesis to avoid imports. An insufficient waste disposal caused an additional inherited pollution burden. Components for systems and process engineering had been rare. As a result the process optimisation had been on a very low level. The plants' energy efficiency had been exceptionally low. Only with regard to the GDR's export interests or due to extreme security concerns new investment had been transacted. All that resulted in 1989 in a holding of plants, which was then in average 45 years old. Owing to a far-reaching structural change, the renewed increase in turnover and the resulting emission into the environment had been uncoupled in fact since 1993. During the three years before, however, the decrease in environmental impact resulted mainly from a closure of firms and a reduction of turnout.

Chemical Industry Promotes a Sustainable Development

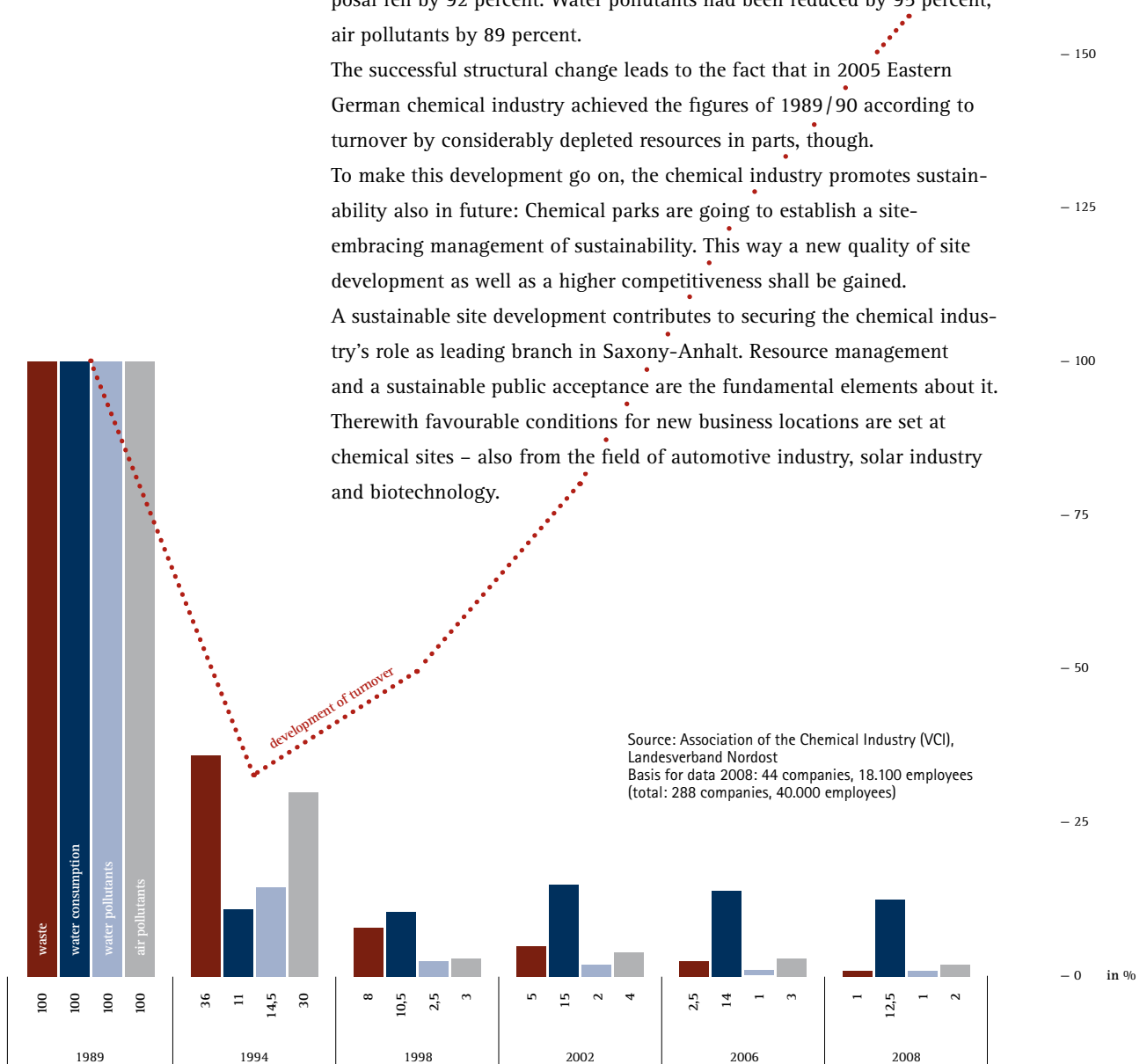
Increasing turnover by depleted resources

After all environmental impact could be reduced drastically since 1990: water consumption had been reduced by 85 percent. Waste for disposal fell by 92 percent. Water pollutants had been reduced by 95 percent, air pollutants by 89 percent.

The successful structural change leads to the fact that in 2005 Eastern German chemical industry achieved the figures of 1989/90 according to turnover by considerably depleted resources in parts, though.

To make this development go on, the chemical industry promotes sustainability also in future: Chemical parks are going to establish a site-embracing management of sustainability. This way a new quality of site development as well as a higher competitiveness shall be gained.

A sustainable site development contributes to securing the chemical industry's role as leading branch in Saxony-Anhalt. Resource management and a sustainable public acceptance are the fundamental elements about it. Therewith favourable conditions for new business locations are set at chemical sites – also from the field of automotive industry, solar industry and biotechnology.



High Degree of Public Acceptance


Among the population the chemical industry is highly accepted by its long tradition in Saxony-Anhalt. Here, the first chemical businesses emerged already at the end of the 19th century. Today the chemical and plastics industry employs more than 24.000 direct jobs over the complete production and value-added chain*. To keep that, many major as well as smaller firms, universities, academies, research institutions, schools, inter-trade organisations and trade unions act in concert. So among other reasons the German Innovation Prize for Sustainable Education was awarded to the primary school "Friedrich Ludwig Jahn" in Leuna, because they introduce chemistry already to pupils in the first year. The Association of the Chemical Industry (VCI) gives chemistry classes at schools financial support. In the course of the project "School twinning chemistry" the Fund of Chemical Industry supports experimental classes with an extensive package of several measures. During the last two years 60.000 pupils have already been attending the student's laboratory „Living Chemistry“. Together with other companies and research institutions of related fields, the Cluster Chemistry/Plastics suggested in 2009 to give universities and academic institutions in the south of Saxony-Anhalt a clearer image. It is aimed to bring industry, research and teaching even closer together.

These efforts improve the chemistry's public acceptance. They convince pupils and parents by persuasion that the chemical and plastic production is a modern branch, which offers future-proof jobs. Moreover there is a number of local and regional initiatives, projects and measures to secure new qualified recruits in the Land. As the demographical shift is also posing a special challenge to the chemical and plastics branch many of those measures are generously supported - regionally, federally as well as by the European Union.

*

Similarly high effects of employment are attained by structural impacts on up- and downstream branches as well as by the service sector.

Quality of Life as Advantage of Location



Like very Central Germany, Saxony-Anhalt is a cultural region of international standing. Almost 500 years ago the Reformation spread out of this region. Johann Sebastian Bach, Georg Friedrich Händel, Kurt Weill, Martin Luther, Lucas Cranach, Wolfgang von Goethe, Walter Gropius, Otto von Guericke and many other world-famous artists and scientists have had a lasting effect on this region of culture and science for centuries. Saxony-Anhalt is the Land with the highest concentration of UNESCO World Heritages in Germany, like the Bauhaus in Dessau, Wittenberg and Eisleben – towns of Dr. Martin Luther, the Garden Kingdom of Dessau-Wörlitz and the Old Town of Quedlinburg. As many other places, attractive cities like Halle, Magdeburg and Dessau offer a high-quality lifestyle. In places a thousand-year-long tradition and modern life are united. There is a comprehensive range of theatres, opera houses, universities and sports as well as an extensive property market. Museums in Halle, Magdeburg, Wittenberg or Dessau, respectively, retain art treasures beyond measure. The architectural epoch of neo-classicism emerged in Dessau. At the beginning of the twenties Bauhaus Dessau brings contemporary architects and artists together, and its style determines architecture and design until today.

About 40 universities, colleges and technical colleges and more than 80 applied institutes of national research academies are located in Saxony-Anhalt and the neighbouring Länder of Saxony and Thuringia. Leopoldina, the oldest German natural scientific academy, resides in Halle. Since 2008 it is the National Academy of Naturalists.

These are excellent conditions to link the potentials of economy and science, which secure the quality of life, economic power and competitiveness in the heart of Europe.

IMG Investment and Marketing Corporation Saxony-Anhalt

Investment and Marketing Corporation Saxony-Anhalt (IMG) is the business location service and marketing Agency of Saxony-Anhalt. IMG staff provides all BLS services – beginning from the acquisition up to the production start. IMG is also globally marketing the business and science locations and developing tourist concepts. Saxony-Anhalt's government is the sole IMG shareholder. IMG supervisory board chairman is Dr. Reiner Haseloff, Minister of Economics and Labour.

Your location search partner

You are looking for a suitable investment site? For plot sizes, infrastructure, transport access and adjacent companies? We search our site and property database for a location tailored to your needs. We provide competent and individual advice for greenfield and brownfield sites, office properties or production halls – our data bank contains 250+ industrial and trade estates. You receive initial site information within 24 hours.

Your Partner in subsidizing and funding issues

There are several possibilities of financial funding for companies that intend to invest in Saxony-Anhalt. We also consult you on public grant programmes for investment projects and arrange meetings with potential partners.

Your partner in dealing with public authorities and in project implementation issues

Zoning plan, site development plan, EIA, permit, application, notification and administrative decision – do all these sound like gobbledegook to you? We sort out administrative procedures to make your investment happen. You can use our network in the Land's institutions to realise your project. We identify contacts in public authorities, coordinate and negotiate for you at state, district and municipal levels, and with official bodies. We were tasked by the Ministry of Economics and Labour of Saxony-Anhalt to guide you through implementation of your project as a one-stop agency.

**All requests are kept in confidence
and our services are free of charge!**



IMG Investment and Marketing Corporation Saxony-Anhalt

Dr. Carlhans Uhle

Am Alten Theater 6, D-39104 Magdeburg

phone: +49 (0) 391 - 568 99 0

fax: +49 (0) 391 - 568 99 50

e-mail: carlhans.uhle@img-sachsen-anhalt.de

web: www.invest-in-saxony-anhalt.com

10 Advantages of Saxony-Anhalt

Flexibility

With short approval and project implementation periods will fast-track your market entry.

Competence

Highly motivated and qualified workforce ensures long-time success.

Investment Safety

Political and financial stability make Saxony-Anhalt a reliable investment partner for the future.

Infrastructure

The most modern transport and logistics infrastructure enables you a rapid trans-shipment of goods.

Investment Incentives

Due to an excellent mix of subsidies you can expect noticeable reductions of capital expenditure and of operating costs.

Productivity

The lowest unit labour costs within Germany in combination with a stable and secure legal system give you a decisive competitive advantage.

Access to the Market

In the course of the eastern European expansion of the EU the central location within Europe ensures an optimal access to the East European economies.

Quality and Innovation – Made in Germany

Today numerous impulses for the high technology label come from Saxony-Anhalt.

Dynamic Economy

Out of the New Laender Saxony-Anhalt has the highest economic dynamic and generates the highest amount of direct investments abroad.

Service Free of Charge

The free professional business siting support of IMG allows you to fully concentrate on your core competencies.

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