Unigrains – In Brief
Agrochemicals: strong breakthrough for Asian players in the global ranking

The 15 world leaders in agrochemicals - 2010 and 2019 revenue in $m, in current dollars

2010		
SYNGENTA	Switzerland	8,878
BAYER	Germany	8,136
BASF	Germany	5,342
DOW AGROSCIENCES	United States	4,074
MONSANTO	United States	2,892
DUPONT	United States	2,505
MAKHTESHIM AGAN	Israel	2,180
NUFARM	Australia	2,003
SUMITOMO CHEMICAL	Japan	1,599
FMC	United States	1,242
ARYSTA LIFESCIENCE	Japan	1,170
UPL	India	1,078
CHEMINOVA	Denmark	934
ISHIHARA SANGYO KAISHA	Japan	441
NIHON NOHYAKU	Japan	416

Global market	44,195
TOP 3	*51%*
TOP 6	*72%*
TOP 15	*97,0%*
Chinese-owned	< 3%

2019		
SYNGENTA (+ ADAMA)	China	13,729
BAYER CROP SCIENCE	Germany	10,374
BASF	Germany	7,123
CORTEVA	United States	6,256
FMC	United States	4,610
UPL	India	4,461
SUMITOMO CHEMICAL	Japan	2,575
NUFARM	Australia	2,517
JIANGSU YANGNONG	China	1,251
RAINBOW CHEMICAL	China	880
HUAPONT LIFE SCIENCES	China	757
NANJING RED SUN	China	691
WYNCA CHEMICAL	China	690
KUMIAI CHEMICAL	Japan	881
NISSAN CHEMICAL	Japan	663

Global market	59,827
TOP 3	*52%*
TOP 6	*78%*
TOP 15	*96,0%*
Chinese-owned	34,2%

Sources: Philipps MacDougall (2012), Agropages (2020)

➔ In the 2000s, a first wave of concentration led by European manufacturers

Between the 1980s and 2000s, the agrochemicals sector experienced a major wave of concentration triggered by a profound reshaping among the major European players. This movement led to the formation of Swiss company Syngenta and German companies Bayer and Basf Agro.

These three players have long held the lead in the global market, accounting for more than half of sales, far ahead of the Americans, Dow, Monsanto and DuPont.

Other manufacturers, of Japanese, Israeli or Australian origin, emerged in the generic pesticide niche as patents came into the public domain.

➔ At the start of the 2020s, global leadership has been completely reshuffled

When you look at the current ranking and compare it to that of ten years ago, there have been many changes.

The sector has undergone a second wave of concentration, as major as the previous one.

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Among the leaders:

- Syngenta passed into Chinese hands in 2018 and joined forces with Adama, formerly Makhteshim Agan, to create an industry giant. In 2019, Syngenta alone accounted for almost a quarter of the global market. In early 2020, Syngenta's new shareholder ChemChina and SinoChem decided to pool their agricultural assets under the Syngenta banner. The group is therefore likely to continue expanding.
- Bayer took over Monsanto in 2018 and briefly ranked first in 2019 just before Syngenta completed its transformation.
- BASF remains in 3rd place. The German company snapped up some assets when its compatriot acquired Monsanto. BASF is particularly strong in the herbicides segment and has captured the top position in the US market.
- Dow and DuPont merged in 2017 and created Corteva two years later, a spin-off dedicated to upstream agriculture.

Challengers are also active in the consolidation race:

- In 2014, FMC acquired Danish company Cheminova and picked up some assets following the merger between Dow and DuPont in 2017.
- In 2019, UPL acquired Platform Speciality Products, which had acquired Arysta Lifescience in 2014.

➔ Over a third of the global market in Chinese hands

Until ten years ago, the market was dominated by European multinationals, but it is now in the hands of companies of Asian, and especially Chinese, origin. While the latter accounted for just under 5% of the market in 2010, they now account for more than one third as a result of external (cf. Syngenta) and, above all, internal consolidation. From being suppliers of molecules that multinationals rely on, Chinese operators are now investing downstream in the value chain, manufacturing generics or even "proprietary" formulas and accelerating their transformation towards more qualitative and virtuous models.

With the exception of Syngenta, which has a global presence, Chinese manufacturers are developing primarily in the major emerging agricultural regions, such as Asia and Latin America. The development of agriculture in these parts of the world partly explains this increase, and also certainly explains India's strong breakthrough in the rankings. From 12th place in 2010, UPL has moved up spectacularly to become the world's no. 6, the no. 1 in Mexico and Colombia, and among the top 4 in Brazil. When totalling their sales, Chinese and Indian manufacturers account for 42% of the global market.