

ALMU Members' Survey Results

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Singapore

asianlubricantmanufacturers.org



Challenges Faced By Member Companies



Cost

- Rising costs with difficulty of passing price increase to end users.
- High cost of distribution channels, transportation costs.
- Cost of regulation – environmental and compliance.
- Low cost / low quality competitors.
- Irresponsible practices:
 - Negative propaganda, unethical practices causing unhealthy competition;
 - Focus on market share – ignoring realities;
 - Neglecting performance expectations



Getting sufficient returns from the rising cost of doing business

Raw Materials

- Availability of Raw Materials/Additives.
- Variation in raw material supply.
- Unfavourable currency exchange rates.
- High taxation tariffs and registration.
- Market protectionism concerns.
 - Uncertainty of relationship between China and U.S.
 - Non-tariff trade barriers
- Volatility in the market both in terms of availability and pricing.



Ensuring Security of Supply in a diverse & dynamic region

Technology

- Changes in the market dynamics due to disruptive technologies.
- Impacts of Electrification / e-Mobility / Digitalization on lubricant demand.
- Impacts of vehicle ownership versus sharing economy.
- Lack of a common platform in the region for discussions on the technical needs of the region
- Requirement for stronger technical support.



Disruptions or Opportunities?

Knowledge

- Lack of end user and OEM knowledge makes lubricant selection a challenge.
- Unwillingness of OEMs to share information on new specifications.
- Industry specifications:
 - Reliance on legacy/obsolete industry specification.
- Availability and retention of high quality people.



Strong need for awareness of the value of lubricants to addressing performance and emissions control

Regulations and Government Relationships

- Emission regulations and fuel economy.
 - Lack of consultation with lubricant industry on emissions regulation.
- Different Chemical Registration and REACH systems in different countries.
- Changes in local legislation.
- The curse of counterfeit oils / products.
- Corruption and/or slack monitoring.



Enhance collaboration with governments on legislation & enforcement

Environmental

- Push for sustainability.
- Need for better understanding of Quality, Safety, Health, and Environmental regulations.
- Environmentally friendly lubricants.
 - Persuading governments and associations the importance of environmentally responsible lubricants and process oils.
 - Environmental friendly lubricants for marine, MWF, chain and gear.
- Plastics for packaging of lubricants.



Summary

