

Urea formaldehyde sales are highly influenced by increasing demand from the building and construction industry. The growing use of formaldehyde as an important chemical to manufacture building materials and several household products has been identified as a key factor likely to fuel urea formaldehyde market growth. **The global [urea formaldehyde market](#) surpassed 14,000 kilotons sales in 2018 and will record nearly 4% y-o-y growth in 2019**, according to a recent Fact.MR report.

Urea formaldehyde resins are gaining significance as easily available, time-effective curing resins for varied applications in the wood industry, apart from being sought-after wood adhesives for fibrous boards, medium density fiber boards, particleboards, and granular boards. Building and construction continues to remain a lucrative end-use area for urea formaldehyde, accounting for nearly 60% volume sales in 2018. This can be attributed to the fact that urea formaldehyde is a vital building block in construction materials, often used in various converted forms. Adoption of urea formaldehyde in the building and construction sector remains influenced by their integral role in manufacturing composites and engineered wood products for commercial as well as residential applications.

The Fact.MR study estimates healthy gains from the wood industry, owing to the sustainability benefits of urea formaldehyde resins in wood panel and board products, in terms of forest resource conservation and waste reduction. For example, composite wood panels, such as particleboard, are generally composed of recovered wood waste, which is otherwise disposed of in a landfill. Not only does formaldehyde-based chemistry result into greater utilization of wood, but it helps forming robust, highly durable building materials compared to wood, thereby witnessing high demand from particle board manufacturers.

Fact.MR study opines that key players in the urea-formaldehyde market have been seeking novel approaches to address the toxicity concerns, while complying with regulations imposed on using urea-formaldehyde. Significant efforts of regulators to reduce formaldehyde emissions from composite wood products, by imposing restrictions on formaldehyde emissions from wood products used in housing industry. Many federal agencies, such as the U.S. Environmental Protection Agency, HUD, and the Consumer Product Safety Commission have extensively gauged and regulated indoor air exposure to formaldehyde, which continues to hard-press manufactures to adopt viable substitutions in formulation of urea-formaldehyde based chemistry.

Recent breakthroughs in resin formulations and technologies allude promising erratic solutions to numerous existing challenges related to urea formaldehyde. Many manufacturers have embraced advanced technologies to address the rising concerns related to urea-formaldehyde emissions. For example, Georgia Pacific Chemicals has recently rolled out LEAF® low-emission resins, a group of wood adhesive technologies, which comply with various green building standards, and CARB Airborne Toxic Control Measure (ATCM), for Composite Panels Phase 2 emission requirements. Fact.MR report opines that the growing adoption of technologically-advanced solutions to curtail formaldehyde emission and to address toxicity concerns is likely to create lucrative growth opportunities for the urea formaldehyde market.

APEJ Held Over 50% Urea Formaldehyde Sales in 2018

According to Fact.MR study, APEJ held over 50% sales of urea formaldehyde in 2018, and will record a 5.0% Y-o-Y in 2019. The urea formaldehyde market in APEJ continues to remain driven by their bolstering demand in diverse end-use industries, particularly in the construction and building industry. Gains will also be healthy in Europe, on the account of growing adoption of formaldehyde resins by particle board, and medium-density fireboard manufacturing industries in the region.

Fact.MR's study provides an accurate forecast on the urea formaldehyde market for the period between 2018 and 2027. The urea formaldehyde market has been envisaged to record a moderate CAGR of over 4.0% through 2027.