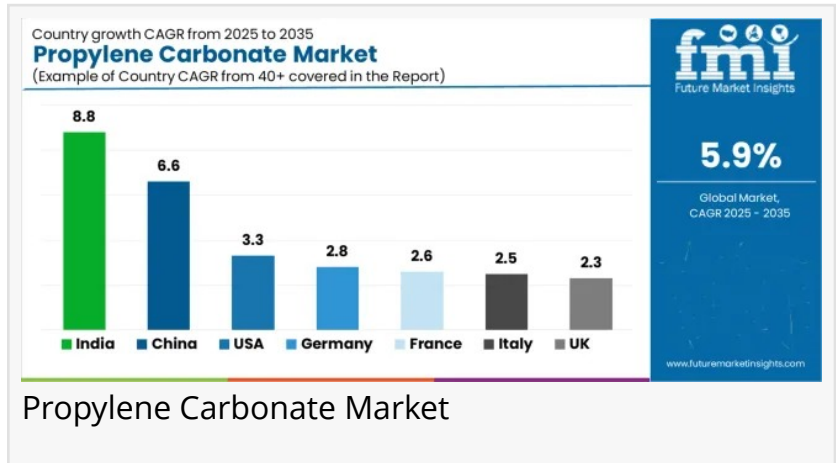


Propylene Carbonate Market to Hit USD 520 Million by 2035, Driven by EV & Green Solvent Demand Across APAC, Europe, USA

The propylene carbonate market is projected to grow from USD 293.1 million in 2025 to USD 520.0 million by 2035, at a CAGR of 5.9%.

OSAKA CITY, OSAKA PREFECTURE, JAPAN, November 7, 2025

/EINPresswire.com/ -- The global [propylene carbonate market](#) is projected to rise from USD 320 million in 2025 to USD 520 million by 2035, expanding at a compound annual growth rate (CAGR) of 5.0%, according to recent data-driven market analysis. The demand surge is attributed to accelerating adoption in electric vehicle (EV) batteries, green solvents, and specialty chemical applications.



The report highlights a significant transformation in manufacturing trends as industries pivot toward environmentally sustainable carbonates and high-performance electrolyte materials, redefining competitive dynamics across the global chemicals and energy sectors.

Market Dynamics: Clean Chemistry and Energy Storage Synergy

Propylene carbonate (PC) — a versatile, biodegradable organic solvent derived from propylene oxide and carbon dioxide — has gained strategic importance across battery electrolytes, coatings, adhesives, and polymer processing sectors. Its low toxicity, high dielectric constant, and excellent solvency performance make it a cornerstone chemical for green manufacturing transitions.

The market's expansion aligns with two long-term global megatrends:

- Electrification of transport and battery innovation, where propylene carbonate is increasingly used in lithium-ion electrolytes, and
- Regulatory pressure for solvent substitution, replacing traditional petroleum-based and volatile organic compounds (VOCs) with low-emission alternatives.

In 2024, over 41% of global propylene carbonate consumption was attributed to battery and electronics manufacturing, while industrial solvents and coatings represented 32%, and personal care and polymer processing accounted for 18%.

Review the full report to examine in-depth market dynamics, strategic developments, and growth opportunities across key regions! Request Sample Report:

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Regional Outlook: APAC Dominates, Europe and U.S. Consolidate Market Position

Asia-Pacific (APAC): The Powerhouse of Growth

The Asia-Pacific region continues to lead the global propylene carbonate market, accounting for nearly 48% of global demand in 2025. The region is forecast to expand at a CAGR of 5.4% through 2035, supported by booming EV battery production, chemical recycling initiatives, and solvent manufacturing capacity.

- China remains the largest producer and consumer, capturing over 30% of global volume, driven by battery manufacturing scale and robust downstream integration.
- Japan and South Korea maintain high demand from semiconductor and display manufacturing, while India is emerging as a key importer due to expanding automotive chemical supply chains and domestic EV adoption initiatives.

Government-backed carbon utilization projects and increased production of cyclic carbonate derivatives will sustain APAC's leadership position throughout the forecast period.

Europe: Transitioning Toward Sustainable Solvent Economy

The European market is expected to grow from USD 85 million in 2025 to USD 135 million by 2035, marking a CAGR of 4.8%.

Regulatory measures under REACH and the European Green Deal are compelling manufacturers to replace hazardous solvents with carbon-neutral alternatives.

- Germany, accounting for 25% of European demand, is investing in CO₂-based propylene carbonate synthesis, transforming waste carbon into valuable feedstock.
- France and the Netherlands are emphasizing battery recycling and electrolyte reprocessing, while Italy and Spain are expanding usage in coatings and lubricants.

European producers are prioritizing bio-based synthesis pathways and closed-loop solvent recovery, reinforcing market resilience and compliance with sustainability targets.

United States: Innovation-Led Expansion in Electrolytes and Chemicals

The U.S. propylene carbonate market is projected to record a CAGR of 4.9%, reaching USD 110 million by 2035. Growth is fueled by EV battery R&D, chemical recycling, and green solvent technology adoption in industrial coatings and paints.

Federal incentives for domestic battery manufacturing — under the Inflation Reduction Act (IRA) — are catalyzing investments in propylene carbonate production, particularly for electrolyte applications.

Major chemical firms are aligning product portfolios with low-carbon feedstock integration, enhancing profitability and ESG compliance.

Key growth is also seen in lithium battery electrolyte formulations, where propylene carbonate serves as a stable co-solvent in non-aqueous systems, improving conductivity and cycle life.

Saudi Arabia: Building a Specialty Chemical Hub

The Saudi Arabian market is forecast to register a CAGR of 5.5%, driven by industrial diversification under Vision 2030. Strategic investments in specialty chemical parks and CO₂ valorization projects are positioning the Kingdom as a regional supplier of propylene carbonate and related cyclic carbonates.

Ongoing partnerships between SABIC, Sadara Chemical Company, and international process licensors are enabling CO₂-to-propylene carbonate technologies, reducing emissions while adding value to hydrocarbon assets. The country's commitment to chemical sustainability and local value addition supports its growing regional importance.

Key Market Drivers and Opportunities

- Surging EV Battery Demand:

The rapid expansion of electric mobility, particularly in China, the U.S., and Europe, is increasing demand for high-purity carbonate solvents essential in electrolyte formulations.

- Green Solvent Shift:

Regulatory frameworks promoting VOC reduction and solvent recycling are accelerating the replacement of traditional petrochemical solvents with propylene carbonate, a non-toxic, biodegradable alternative.

- CO₂ Utilization and Circular Chemistry:

Advances in carbon capture and utilization (CCU) are enabling sustainable propylene carbonate production directly from CO₂ feedstock — aligning industrial growth with global decarbonization goals.

- Technological Innovations:

Developments in electrolyte performance, chemical reactivity, and battery recyclability are

driving new applications across clean energy and polymer sectors.

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Competitive Landscape

The global propylene carbonate industry is moderately consolidated, with major players focusing on capacity expansion, product purity, and sustainable production.

Leading participants include:

- Huntsman Corporation
- BASF SE
- LyondellBasell Industries N.V.
- Mitsubishi Chemical Corporation
- KEMEL Co., Ltd.
- Tokuyama Corporation
- Shandong Shida Shenghua Chemical Group Co., Ltd.

These companies are investing in CO₂-derived synthesis technologies, electrolyte-grade purification systems, and strategic supply agreements with EV battery manufacturers.

In APAC, local producers such as Taixing Lingfeng Chemical Co., Ltd. and Lixing Chemical are expanding exports to Europe and the U.S., leveraging cost efficiencies and advanced process optimization.

Investor Outlook: Sustainable Growth in a Transitional Decade

Between 2025 and 2035, the propylene carbonate market is expected to deliver stable revenue growth and margin expansion, supported by:

- Strong EV battery adoption, representing nearly 45% of incremental global demand,
- Regulatory-backed solvent substitution in coatings and chemical processing, and
- Investment inflows in CO₂-to-chemical technologies, enabling sustainable production models.

Investors can expect rising capital efficiency across production clusters, with high potential returns in battery-grade purification, circular chemistry infrastructure, and regional manufacturing integration.

Future Outlook: From Carbon Utilization to Circular Value

The decade ahead will define propylene carbonate as a key enabler of low-carbon manufacturing. The convergence of energy storage, sustainable chemistry, and regulatory

transformation ensures the market's evolution toward circularity, purity, and performance.

With clear pathways for investment and innovation across APAC, Europe, the USA, and Saudi Arabia, the propylene carbonate market stands as a cornerstone of global industrial sustainability through 2035.

Exploring Insights Across Emerging Global Markets:

Pharma Grade Sodium Bicarbonate Market:

<https://www.futuremarketinsights.com/reports/pharma-grade-sodium-bicarbonate-market>

Cold Rolling Oils/Lubricants Market: <https://www.futuremarketinsights.com/reports/cold-rolling-oils-lubricants-market>

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