

Global demand for pesticides to approach \$57 bn in 2016

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Global demand for formulated pesticide products will approach \$57 billion in 2016, driven by demand for value-added, proprietary formulations, particularly those that combat increasingly resistant pest populations while addressing growing concerns about pesticide safety, according to a new report "[World Agricultural Pesticides Market](#)" published by the Freedonia Group. Herbicides are the largest product type by value, while fungicides are expected to show the strongest growth. Insecticide growth will be significantly constrained by the growing popularity of integrated pest management techniques and continued concern about adverse effects.

Rapid growth in the cultivation of herbicide-tolerant crop varieties over the past decade has helped drive strong growth in herbicide demand since 2001 and contributed to significant increases in agricultural productivity. However, these advances have not come without a cost, as some farmers have overused particular active ingredients, especially glyphosate. This has led to a growing problem with weed resistance in almost every region. This problem is forcing changes in how farmers use herbicides, and growers are increasingly turning to formulations with more than one mode of action, and/or are using increasing amounts of herbicide, to guarantee extensive protection from weeds. Both choices will contribute to rising herbicide value demand going forward, helping to drive advances.

Unlike herbicides, which are used on almost every crop, insecticides are generally used on an as-needed basis, as insect populations are largely influenced by weather conditions. Additionally, insecticide use is influenced by the cultivation of crops with insecticidal *Bacillus thuringiensis* (Bt) traits, which limit the need for additional insecticides. However, the prevalence of Bt crops in some regions has led to resistant insect populations, providing an opportunity for insecticide growth in certain markets. Insecticides are widely used in warmer regions, where the local climate provides a hospitable environment for insect populations to flourish. Insecticides are also associated with more concerns related to environmental safety and public health. For example, organophosphate demand continues to drop due to concerns over potential adverse effects. In addition, neonicotinoid insecticides, prominent replacements for organophosphates, may be implicated in honeybee colony collapse disorder. Demand for insecticides in the future will continue to be impacted by changing insect management practices, amid concerns about environmental and human health.

Fungicide demand is projected to show strong gains as growers in all regions of the world shift away from commodity type products like copper and sulfur, in favor of higher value specialty fungicides. This change is substantially impacted by a growing need to increase agricultural productivity, particularly in countries that are dependent on fungicide-heavy crops like rice. Additionally, the high value of crops like grapes and other specialty crops motivates farmers to invest in new fungicide technologies. This growth is expected to be fastest in developing regions, where the synthetic fungicide markets are less mature.

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