



CBI
Ministry of Foreign Affairs

CBI Product Factsheet:

Pumps in the United Kingdom

Introduction

The United Kingdom is the third-largest importer of pumps in Europe. Not surprisingly, the country also hosts a considerable number of pump-manufacturing activities. The best opportunities for exporters from developing countries are for parts subcontractors for any of the 50 manufacturers based there. Another good option for exporters from developing countries would be to target distributors. In all cases, exporters from developing countries should focus on just a few specialised pumps within their range of products. Finally, pricing strategies must be highly competitive, as buyers in the United Kingdom are relatively price-sensitive.

Product description

Pumps are devices that are used to transport/move specific media (e.g. liquids or slurries). A pump moves a liquid or a gas from a lower pressure environment to one with higher pressure, overcoming this difference in pressure by adding energy (e.g. electrical energy) to the system. Pumps are used in a wide range of industries. Additional information on pumps is available at [Wikipedia Pumps](https://en.wikipedia.org/wiki/Pump).

One chapter in the CN nomenclature refers to pumps and pump parts: Chapter 8413. This chapter of codes was selected for this survey. The classification is presented in Table 1. Note that several of the codes in Chapter 8413 have been excluded from the selection, as they relate to applications other than the process industry (e.g. fuel-dispensing pumps, hand pumps and pumps used in engines). Table 1 also shows the Prodcom codes used for the production and demand statistics for pumps and pump parts.

Table 1: Selected products, based on CN and Prodcom nomenclature

Subsector and product group	CN code	Prodcom code	Description
Pumps			
parts of pumps	841391-00/10/90, 841392	29124200	parts of pumps and liquid elevators
other pumps	841319-00/10/90	29122130	pumps for liquids, fitted with a measuring device
	841381-00/10/90, 841382	29122480	pumps for liquids, power-driven and liquid elevators
reciprocating positive displacement pumps	84135010	29122190	reciprocating positive displacement pumps
	841350-20/30	29122210	hydraulic units, with pumps
	841350-40/50	29122230	dosing and proportioning reciprocating positive displacement pumps, power-driven
	84135061	29122250	hydraulic fluid power piston pumps
	841350-69/71/79	29122270	piston pumps
	841350-80/90	29122290	reciprocating positive displacement pumps
rotary positive displacement pumps	84136010	29122290	rotary positive displacement pumps, power-driven
	841360-20/30	29122310	hydraulic units, with pumps
	84136031	29122333	hydraulic fluid power gear pumps (excl. hydraulic units)
	841360-39/41/49/51/59/60	29122335	gear, vane and screw pumps
	84136061	29122353	hydraulic fluid power vane pumps
	84136069	29122355	vane pumps, power-driven
	84136070	29122373	screw pumps, power-driven
	841360-80/90	29122375	rotary positive displacement pumps, power-driven
centrifugal pumps	84137010		centrifugal pumps, power-driven
	84137021	29122413	submersible pumps, single-stage
	84137029	29122415	submersible pumps, multi-stage
	84137030	29122417	glandless impeller pumps for heating systems and warm water supply (circulator pumps)
	841370-35/40	29122420	pumps, power-driven, with an outlet diameter <15 mm
	841370-45/50	29122430	channel impeller and side channel pumps
	84137051	29122451	radial flow centrifugal pumps
	841370-59/61	29122453	radial flow centrifugal pumps

	841370-65/69/70	29122455	radial flow centrifugal pumps, single-stage
	841370-75/80	29122460	radial flow centrifugal pumps, multi-stage
	84137081	29122471	single-stage centrifugal pumps, power-driven, with a discharge outlet diameter > 15 mm
	841370-89/91/99	29122475	centrifugal pumps, power-driven, with a discharge outlet diameter > 15 mm

Source: Globally Cool, based on CN and Prodcom Nomenclature

The pump specifications required by British buyers are detailed below. These specifications include requirements pertaining to the material used, the processing steps, documentation and packaging. Illustrations 1–5 display examples of pumps sold in the United Kingdom, as well as an example of a pump ready for transport.

Material and design

The material used depends on the pump's application. Materials range from nodular cast iron or alloy nodular cast iron for use in water and wastewater processes to stainless and heat-resistant steel in the chemical and power-generation industries. Designs are in line with customer specifications.

Documentation

Pump importers require associated reports about the quality and specification of the material used, registration of critical process parameters and test reports, along with traceability reports for the batches of products manufactured.

Labelling and packaging

Pumps and pump parts are packed individually in crates or boxes, which are usually made of wood. The packaging obviously depends upon the size of the pump or part. Plastics or coatings are also used for additional packaging purposes. The type or number of the pump (or pump part) should be printed on the packaging. In addition to general packaging requirements (see 'Requirements'), customers are likely to have their own packaging and printing requirements and preferences.

Packaging is always labelled, not only for the purposes of identification during transport, but also to indicate the quantity, weight, the products themselves and the producer's name. Customers are likely to have their own (additional) packaging requirements and preferences. In most cases, the packaging and labelling requirements are included in the customer's specifications.

Quality and quantity

The quality standards of individual British companies are among the highest in Europe, although it should be noted that the large multinational pump manufacturers work with uniform, high-quality standards that apply globally. These quality standards have an impact on many aspects, including the finishing and painting of the product (the visual-optical qualities or the appearance of the pump), the packaging requirements and the documentation of accessories.

Order volumes follow the customer's standards and requirements. As a general guideline, transportation of standard pumps or pump parts from overseas countries to the UK is viable only for full container loads.

Illustration 1: Radial flow pump



Illustration 2: Proportioning pump



Illustration 3: Metering pump



Illustration 4: Axial piston pump

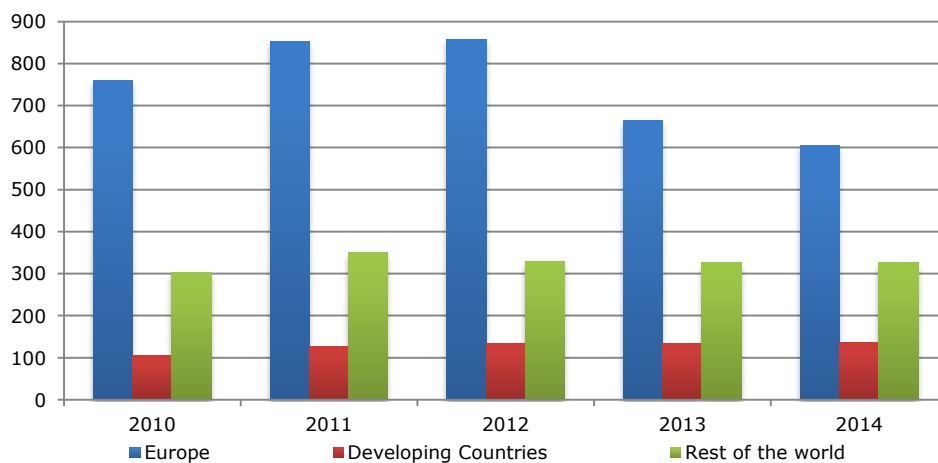


Illustration 5: Example of a pump ready for transport



What is the demand for pumps in the UK?

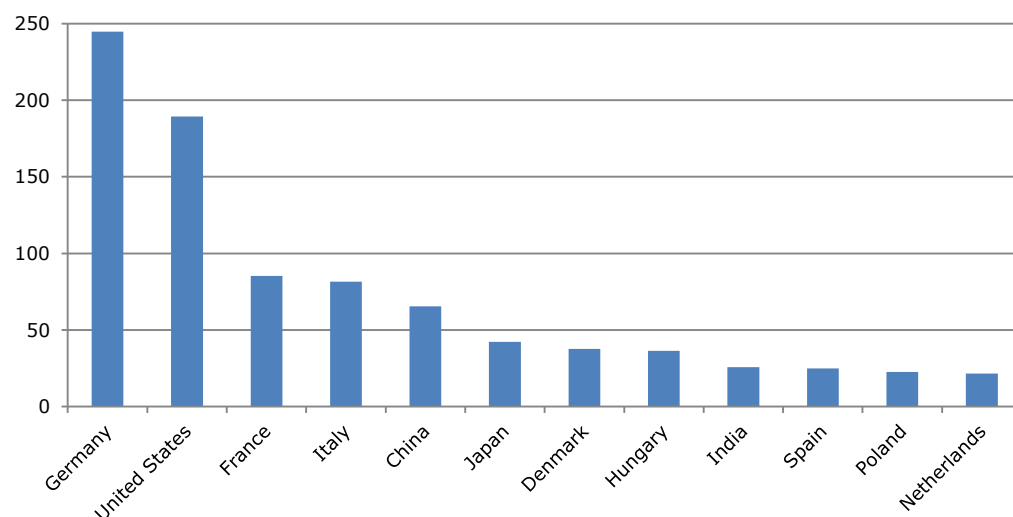
Figure 1: UK imports of pumps by main origin (2010–2014), in € million



Source: Trade Map (2015)

- The United Kingdom is the third-largest importer of pumps in Europe. With a 9.1% share of the European market, the United Kingdom can be an attractive focus market.
- Import values have exhibited a pattern that can be seen in most European countries: a dip in 2009 (caused by the financial crisis), a recovery in 2010 and further growth in 2011. Thereafter, imports declined again in the 2012–2013 period.
- On an individual basis, pump parts registered the highest share in total imports (accounting for 41% of the total imports of pumps).
- At 13%, imports from developing countries as a share of total imports were slightly higher than the European average in 2014 (9.9%). No major changes are expected with regard to this share in the coming years.
- For imports from developing countries, the highest growth in the 2010–2014 period was observed for rotary positive displacement pumps (23%), followed by reciprocating positive displacement pumps (19%). Overall, the highest share of all imports from developing countries was for pump parts, which accounted for almost 43%.
- Pump imports are expected to exhibit some growth in the next few years, in the range of 0%-2% per year.

Figure 2: Leading suppliers of pumps to the UK (2014), in € million



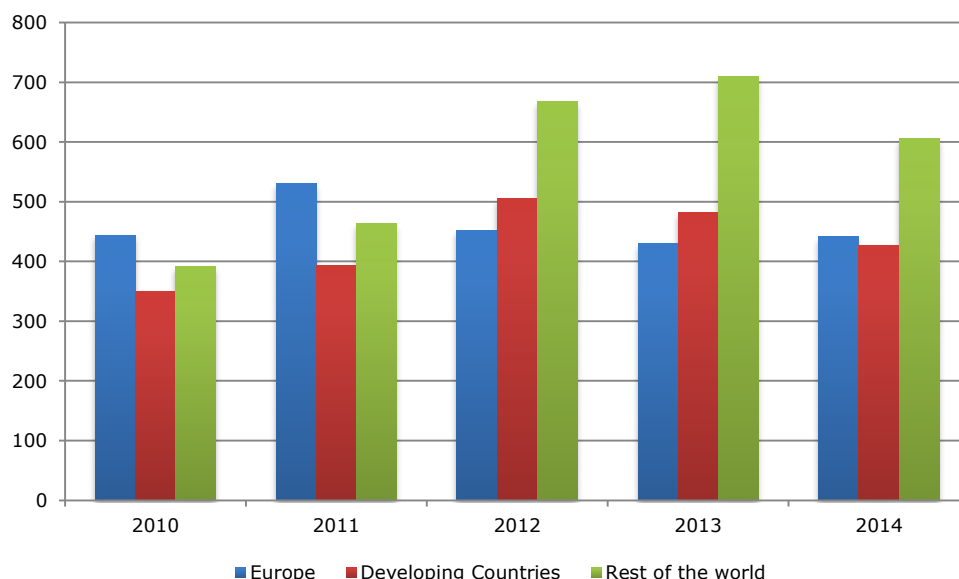
Source: Trade Map (2015)

- Most of the leading suppliers are from developed countries. Germany's leading position is due to its strong role in the global pump industry. Several of the world's leading pump manufacturers operate in both the United Kingdom and Germany, and international trade between the various leading markets is an important part of their business strategy.
- As shown in Figure 2, two developing countries appear in the list of leading suppliers: China (in 5th position at €65 million) and India (in 9th place at €26 million). Other suppliers from developing countries include Malaysia (€10 million), Turkey (€9 million), Thailand (€5 million) and Mexico (€5 million).
- The composition of leading suppliers is unlikely to change substantially in the next few years.

Tip:

- Benchmark your company against your peers from China and India, as well as from the leading suppliers from *developed* countries. Several factors should be considered, including market segments served, perceived price and quality levels and countries served. One source that can be used to find exporters of pumps by country is the [ITC Trade Map](#).

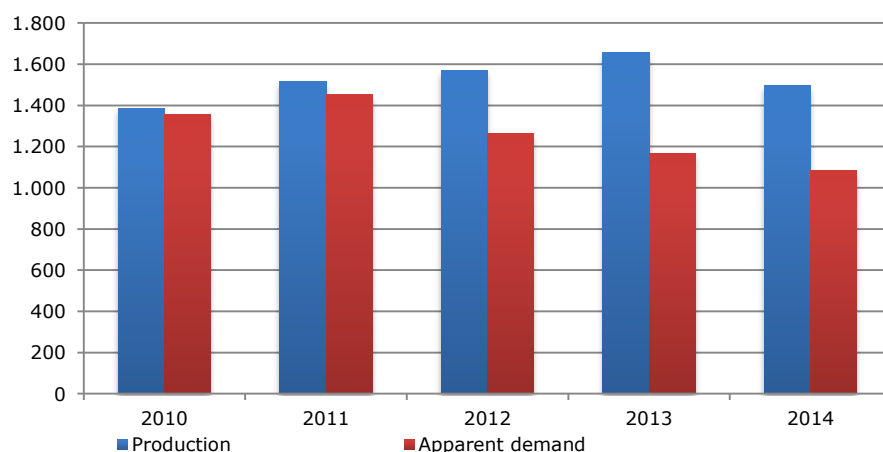
Figure 3: UK exports of pumps by main destination, in € million



Source: Trade Map (2015)

- The United Kingdom is a net-exporter of pumps, as exports far exceed imports. Exports are destined for many different countries, both within and outside Europe.
- The UK's pattern of exports over the 2010–2014 period was different from its pattern of imports (Figure 1). Exports exhibited an upward trend, while imports declined.
- Over the 2010–2014 period, exports grew by an average of 5.6% per year. Note that part of the United Kingdom's exports consists of re-exports, as the country serves a transit function in the global pump trade due to the presence of several leading global pump manufacturers. For example, the largest pump production facility in the United Kingdom is the Flowserve Newark facility. Other global pump manufacturers with production facilities in the United Kingdom include Weir, Watson-Marlow and Sulzer Pumps.
- China is the principal developing-country destination for British exports, followed by South Africa, India, Iraq, Nigeria, Malaysia, Brazil and Thailand (at some distance).

Figure 4: Production of and local demand for pumps in the United Kingdom (2010–2014), in € million



Source: Eurostat Prodcom (2015)

- The United Kingdom accounts for 9.3% of the European production of pumps and pump parts. It is in third place, behind Germany and Italy.
- British production and demand were virtually in balance in the 2009–2011 period. The situation changed in 2012, when a dramatic rise in exports led to strong growth in local production.
- In terms of demand, the British market also ranked third, accounting for 10.5% of the European market in 2014. A very weak 2009 (caused by the financial crisis) was followed by two strong years. After that, demand declined year

on year, reaching €1.1 billion in 2014. As a result, average annual growth in demand stood at -5.4% for the 2010–2014 period as a whole.

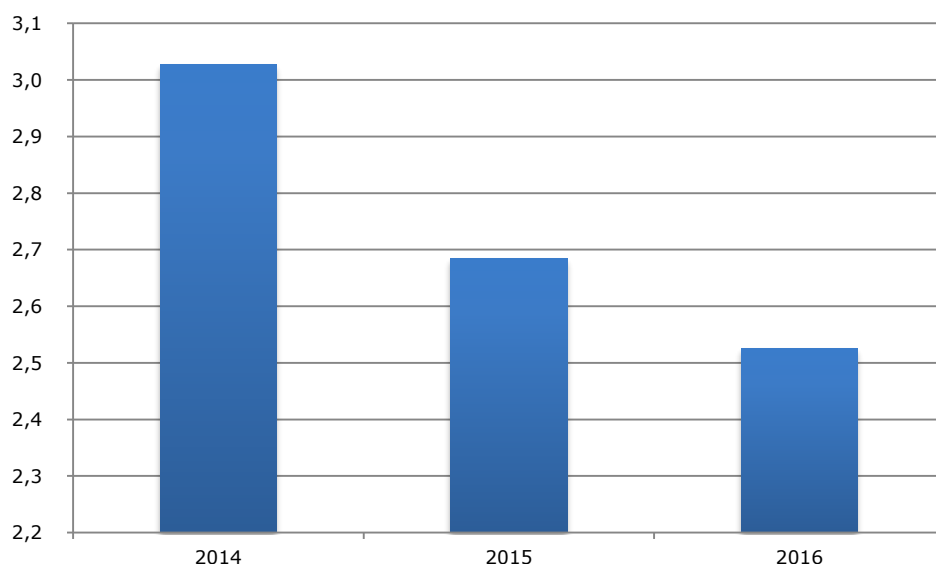
- The British market has a mature character, consisting primarily of replacements and the maintenance of existing equipment.
- Water and sewerage treatment account for some 25%–30% of the British pump market, followed by oil and gas (about 20%, especially with regard to offshore applications relating to the North Sea), the chemical industry (10–13%), food and beverages (about 10%) and other industries (e.g. power generation).
- Around 50 pump companies are located in the United Kingdom. Several are facilities owned by the world's leading pump manufacturers, although there are also many pump manufacturers of British origin. The leading players in the British market are Clyde Union Pumps (part of the global group SPX), Weir, Sulzer, Flowserve and Grundfos Pumps. Other major players include Mono Pumps, SPP Pumps and Xylem Water Solutions.
- British manufacturers will continue to implement new technologies in order to reduce production costs and to secure their competitive edge.
- The British demand for pumps was expected to remain relatively stable in 2014–2015. Investments in pumps and other process equipment in the United Kingdom are not expected to register the same high growth as was observed in the 2009–2012 period. Instead, they are likely to remain stable or exhibit a slight decline. As a consequence, the demand for pumps is not expected to improve significantly, as compared to 2014.

Tips:

- Consider focussing on the water and sewerage segment, as it offers the best opportunities, due to its relatively low technical requirements.
- Considering the economic situation and forecast for 2015 and beyond, pricing is and will continue to be one of the most important factors influencing competition.
- For exporters of finished pumps from developing countries, this cautious market climate is a threat, as the leading pump manufacturers will be making every effort to retain their customers in the British market. At the same time, manufacturers from the United Kingdom will be increasingly seeking to establish a foothold abroad for several reasons, including lower costs and improved market access. This provides manufacturers from developing countries with opportunities for cooperation.

Macro-economic indicators

Figure 5: Real GDP in the UK (2014–2016), % change from previous year



Source: OECD Economic Outlook 96 database

- The major determinant of demand for pumps and pump parts is industrial spending activity, which is stimulated by economic growth. As indicated in Figure 5, the GDP is expected to exhibit continued growth year on year. For the longer term, it will provide a significant base for continued import growth.
- The profitability of imports of pumps and pump parts is affected by the GBP:USD exchange rate, as many pumps that are sourced globally are paid for in USD. As the exchange rate is not expected to exceed £0.70 to the dollar, the price

level for imports of pumps and pump parts is unlikely to change dramatically. This means that the level playing field of imports versus local production will remain more or less the same.

Tip:

- Although GDP growth forecasts are improving, pricing is and will continue to be one of the most important factors influencing competition. Competitive pricing is essential for exporters from developing countries planning to enter the European market.

What trends offer opportunities on the UK market for pumps?

The most important trends in the pump market include the following:

- Environmental legislation: In the water and sewerage industry, environmental legislation will result in several investments in infrastructure and water-treatment equipment. In the United Kingdom, improvements to the water utility infrastructure are channelled through the water industry's asset management programme, known as AMP5.
- Life-cycle costs: Life-cycle costs have recently taken on a more important role in the purchasing process for pumps. In this respect, the British market is lagging somewhat behind other European markets, as British buyers have traditionally focused primarily on price.
- Energy efficiency: European directives for energy efficiency and emissions are likely to become even more stringent in the future. It is expected that pump suppliers to the European market will face difficulties in complying with them.
- Intelligent systems: The demand for intelligent pump systems will continue to flourish. These systems combine the pump function with a control function, thereby preventing pump damage. The life-cycle costs of such systems are relatively low. The prices of sophisticated pumps that meet regulatory requirements are generally higher than those of standard pumps.
- Competitive pricing: In the past few years, the reduced demand caused by the economic recession has increased the importance of price, especially with regard to standard pumps. Increased competition among European suppliers (resulting from ongoing rationalisation) and from suppliers in low-cost countries (e.g. China, Turkey, India and Brazil) have caused price levels to decline. In the next 5–10 years, suppliers from these countries are expected to become even stronger competitors in the British pump market.

Tips:

- Consider focussing on the water and sewerage segment, as it offers the best opportunities, due to its relatively low technical requirements.
- There are good opportunities for manufacturers in developing countries who can supply pumps with low life-cycle costs, as this aspect has come to play a more important role in purchasing decisions in recent years. Pump manufacturers from developing countries should therefore also focus on the development of pumps with low life-cycle costs that are also simple and inexpensive to maintain. Pumps should be designed to improve efficiency and reduce energy consumption.
- Exporters from developing countries who have difficulty achieving competitive pricing should consider specialising, as competition tends to be less intense in the market for specialised pumps.
- Some good opportunities in the pump market are available to exporters from developing countries, provided the quality they can supply will meet the demands of British buyers. The greatest advantage has to do with labour costs, provided that European labour standards are met. Given that wages in developing countries are much lower than those in Europe, these countries have a strategic advantage over European manufacturers. From a technical point of view, it is estimated that 80% of all pumps (the standard pumps) can be produced in developing countries. The rest can be manufactured only in Europe, as they require advanced skills and expertise (e.g. pumps for the chemical and power generation industries).
- Although there are opportunities for exporters from developing countries to supply pumps to the British market, it is not as easy as it may seem. Industry specialists share the opinion that manufacturers from developing countries who supply pumps to the British market can be successful only if they hire technological expertise from Europe, or at least make use of technologically competent importers.
- The [CBI document on Trends for Pipes and Process Equipment](#) provides a general overview of trends in the European market.

With which requirements should pumps comply in order to be allowed on the British market?

Requirements can be divided into the following categories: (1) musts, which are legal requirements that you must meet in order to enter the market, and (2) additional requirements, which consist of the relatively common requirements that most competitors have already implemented (in other words, requirements that you should meet in order to stay abreast of the market).

A general overview of [EU buyer requirements for pipes and process equipment](#) is available on the CBI Market Intelligence Platform. Additional sources of information on gaining access to the European market include the [EU Export Helpdesk](#) and the [ITC Market Access Map](#).

Musts

Pump parts are not subject to any specific legal requirements for market access. The following legislation applies to pumps and/or pump units:

- The [Product Liability Directive](#) states that the European importer is liable for the products put on the European market. In theory, however, European importers can pass claims along to their producers/exporters.
- Pumps and pump units are subject to the [Machinery Directive 2006/42/EC](#), and they must have a 'Declaration by the manufacturer' and/or an 'EC Declaration of conformity' in addition to the CE marking, as defined by the Machinery Directive. This also encompasses conformity with the Low Voltage Directive.
- Specific directives may apply to pumps with very specific applications (e.g. those used in potentially explosive atmospheres). These directives often require extensive product testing. In the case of the above example, the pump must comply with the [ATEX directive \(Directive 94/9/EC\)](#).
- The goal of the [Ecodesign Directive](#) is to reduce energy consumption in European buildings by 20% by 2020. Compliance with this directive has increased the demand for pumps in the construction of new buildings, as well as for the replacement of existing pumps with energy-efficient alternatives. This potential has already been observed in recent years, with the market for centrifugal pump replacements and spare parts accounting for an estimated half of the construction-services market segment.

Other general legislation that must be taken into account includes:

- [Wood packaging materials used for transport \(including dunnage\) \(Directive 2005/15/EC\)](#). The European Union sets requirements for wood packaging materials (WPM), including packing cases, boxes, crates, drums, pallets, box pallets and dunnage (i.e. wood used to wedge and support non-wood cargo).
- Another packaging-related directive is the general directive for [packaging and packaging waste](#), which prescribes the marking of the kind of packaging material used and maximum levels of heavy metals in the packaging material.

Tips:

- Further details are available on the website of the [Association of European Pump Constructors](#), which offers a list of PDF documents on European directives applicable to pumps.
- Make sure that your wood packaging material (WPM) qualifies for the European market. If you are not certain, ask your WPM supplier to confirm and explain this to you. Your WPM supplier should undertake any further actions required to comply with the Directive. If the supplier is not able to do so, it would be advisable to select another supplier.
- A Certificate of Origin is obligatory; note that it must be validated by a local Chamber of Commerce. Additional information is available [here](#).

Additional requirements

For finished pumps, the customer's main requirements will be related to the technical aspects of the pumps. The pump standards in Europe are used to create unity in design and dimensional specifications. The standards apply predominantly to specific types of pumps (e.g. centrifugal pumps and rotary positive displacement pumps). Standards that European buyers may request can be obtained from several organisations, including the ISO – International Organisation for Standardisation, API – American Petroleum Institute, ANSI – American National Standards Institute, DIN – Deutsches Institut für Normung, and the BSI – the British Standards Institution.

The following are examples of standards that are commonly used for centrifugal pumps: ISO 2858:1975 – Designation, nominal duty point and dimensions of end-suction centrifugal pumps (rating 16 bar); ANSI/API 610-1995 – Centrifugal Pumps for General Refinery Service; DIN EN ISO 5199 – Technical specifications for centrifugal pumps; and BS 5257:1975 – Specification for horizontal end-suction centrifugal pumps (16 bar).

For pump parts, material requirements are the most important customer requirement. The material that is used for pump parts must be covered by an international standard and approved with a certificate. The metal used must meet the material standard, which can be stated in an EN10204 Type 3 certificate. This type of certificate is internationally accepted.

While the American ASTM standards link material requirements with applications, this is not the case for the European EN standards. Instead, European customers have their own specific requirements, in addition to the EN standards. Such additional requirements from customers can be NDT (non-destructive testing), surface (MT or magnetic testing, PT or penetrant testing) or section (UT or ultrasonic testing and RT or X-ray testing) tests.

Buyers may also have specific requirements relating to the dimension and surface of the pump parts. In practice, these requirements are highly dependent upon the customer and application. In some cases, buyers ask their suppliers to adhere to the EN ISO 8062 standard and, in other cases, they include their specific dimensional and surface requirements in the technical drawing.

Finally, many customers are likely to demand that you work according to such general organisational quality systems as ISO 9001 (version 2008) and process control. Some may also demand ISO 14001 (environmental) and OHSAS 18000 (labour standards) compliance.

Tips:

- Additional details are available on the following websites:
 - [ISO Catalogue](#) – Click on 'TC 115' (Pumps) for an overview of ISO standards.
 - Search EN norms in the [online shop of the British Standards Institution](#).
- [CBI Buyers' Black Box](#) offers further information on topics that are decisive for buyers when searching for new suppliers.

Import tariffs

For pumps and pump parts, [a 1.7% duty](#) is levied on European imports from third-party countries. Several countries benefit from a preferential 0% tariff for exports to Europe, including Indonesia, Pakistan, Vietnam, the Philippines, Bosnia and Egypt. The [TARIC database](#) contains further details under Chapter 8413. Note that a Certificate of Origin is required in order to claim a preferential tariff.

Tip:

- Exporters from countries subject to a preferential 0% tariff have a slight competitive advantage over competitors from countries without such preferential tariffs.

What do the trade channels and interesting market segments for pumps look like in the United Kingdom?

Pump manufacturers are the most prominent targets in the United Kingdom. Producers from developing countries can supply parts to them as subcontractors, in addition to supplying finished products. The best opportunities for producers from developing countries lie in focussing on a few specialised products. British manufacturers are also the most important targets for these specialised products, and some may be interested in subcontracting a part of their production to low-cost countries. Distributors are also good targets, as they have excellent access to the local market.

Additional information is available in the CBI documents on 1) [Market Channels and Segments for Pipes and Process Equipment](#), and 2) [Competition for Pipes and Process Equipment](#). Explanations of the types of prospects are provided below, including a few examples for each type. Resources that can be used for finding prospects are included in the section 'Useful resources'.

Manufacturers

These companies offer good potential for suppliers of pump parts, and possibly for suppliers of some finished pumps. Subcontracting offers the best opportunities for specialised products, including specialist pumps like positive displacement pumps (or parts thereof). The United Kingdom is home to the production facilities of both global players and local manufacturers.

The following are examples of global pump manufacturers located in the United Kingdom:

- [SPP Pumps](#) – manufacturer of centrifugal pumps and associated systems.
- [Weir Minerals](#) – multinational manufacturer of slurry centrifugal pumps and other mining equipment and solutions.

Examples of British manufacturers include the following:

- [Gilkes](#) – manufacturer of industrial pumps and hydraulic systems.
- [Hayward Tyler](#) – manufacturer (also has production units in India and China).
- [Hughes Pumps](#) – manufacturer of process pumps and High Pressure Water Jetting Equipment.
- [W. Robinson & Sons](#) – manufacturer and supplier of pumps.

Note that the above lists are not complete, and they are intended only as an illustration of particular categories of companies.

Distributors

Distributors account for around 40% of all pump sales in the United Kingdom, and they are attractive targets for exporters from developing countries who would like to export large volumes of commodity-type products (e.g. common pumps). This is because distributors often buy and/or import commodities in relatively large volumes on a scheduled basis. In most cases, the distributor is also the importer. Distributors often have their own stock, thus explaining why they are also called 'stockists'. Products must be kept in stock, as they need to be available for urgent deliveries to end-users.

Most distributors are true pump specialists, as they are exclusively specialised in pumps. The following are examples of such specialists:

- [Amos](#) – distributor of pumps.
- [Ax Flow](#) – distributor of positive displacement pumps. Part of the multinational group.
- [Best pump](#) – distributor of pumps for the food-processing industry.
- [Dual Pumps](#) – importer and distributor of pumps.
- [The Pump Company](#) – importer and distributor of industrial and domestic pumps.

Note that the above lists are not complete, and they are intended only as an illustration of particular categories of companies.

One distributor that offers more than pumps alone is [Group HES](#) – an importer and distributor of a large range of hydraulic equipment, including pumps.

Useful resources

Associations, portals, magazines and trade fairs

- [Applegate Directory](#) – database of companies based in the United Kingdom. Search under 'Products & Services'.
- [British Pump Manufacturers Association](#) – Click on 'BPMA members' for a list of British pump manufacturers.
- [Engineering](#) – a database that brings together British demand and international supply of engineering parts. Registration required.
- [Eventseye](#) – trade show directory; search by country and industry for other trade shows.
- [Hotfrog](#) – company database.
- [Industry.com](#) – portal that connects most industry magazines published in the United Kingdom.
- [IWEX-Water](#) – trade fair for the water and wastewater treatment sector, held biennially (uneven years in April or May) in Birmingham.
- [PPMA Show](#) – process equipment fair, even-numbered years (September/October) in Birmingham.
- [Process and Control today](#) – search by 'supplier', 'product' or 'product area'.
- [SPE Offshore Europe](#) – oil and gas fair, held biennially (uneven years in September) in Aberdeen.
- [Subcon](#) – subcontracting manufacturing trade fair, held annually around May or June in Birmingham.
- [Total Processing & Packaging](#) – process engineering equipment fair, held triennially (in May) in Birmingham. The most recent fair was held in 2013.

Miscellaneous

- [Eurostat](#) – official statistical office of the European Union. Registration is free and provides access to large collections of data.
- [Export Helpdesk](#) – information on European trade statistics, tariffs and quotas for developing countries.
- [ITC International Trade Statistics](#) – registration required.
- [Kwintessential](#) – provides practical tips on business culture and etiquette.



CBI Market Intelligence

P.O. Box 93144
2509 AC The Hague
The Netherlands

www.cbi.eu/market-information

marketintel@cbi.eu

This survey was compiled for CBI by Globally Cool :: creative solutions for sustainable business,
in collaboration with CBI sector expert Luc Govaerts

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