



In 2014, the U.S. exported \$3.3 billion in lighting products for use in buildings¹, with nearly three quarters of these exports destined for ten leading markets. Lighting’s recognized potential for increasing building energy efficiency amid increased global demand for sustainable construction means strong prospects for growth in U.S. lighting exports. The U.S. Department of Commerce, International Trade Administration (ITA) is positioned to assist U.S. lighting product exporters in their overseas market development efforts through a wide range of trade promotion and trade facilitation programs and services, and trade policy initiatives.

DEMAND INDICATOR: GLOBAL CONSTRUCTION TRENDS

Forward-looking estimates of global construction serve as indicators of subsector export demand. Between the years 2010-2020, global construction output is expected to grow 67%, far outpacing global GDP growth.² Much of this growth is expected to occur in top markets for U.S. subsector exports, where U.S. products compete well. In total, Canada, China, Australia, Indonesia, Russia, India and the U.S. are expected to account for 65% of the growth in global construction by 2020.³ This implies solid opportunities for U.S. lighting exporters.

WEBINAR
U.S. LIGHTING EXPORTS &
GUANGZHOU INTERNATIONAL LIGHTING EXHIBITION 2015
 February 12, 2015 (4 p.m. PST, 7 p.m. EST)
 Hosted by ITA
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The Guangzhou International Lighting Exhibition (GILE) is the largest and most comprehensive lighting industry event in Asia.
GILE 2015: June 9-12, 2015 Guangzhou, China

Top U.S. Subsector Export Markets (2014)			
	Market	U.S. Exports	% Total
	Total All Markets	\$3.3 billion	
1	Canada	\$1.1 billion	33.7%
2	Mexico	\$823 million	25.2%
3	China	\$106 million	3.2%
4	Germany	\$102 million	3.1%
5	United Kingdom	\$ 74 million	2.3%
6	Japan	\$ 70 million	2.1%
7	Saudi Arabia	\$ 65 million	2.0%
8	Taiwan	\$ 63 million	1.9%
9	Korea	\$ 61 million	1.9%
10	Singapore	\$ 52 million	1.6%

(Source: U.S. Census Bureau, U.S. Merchandise Trade, U.S. Total Exports)

DEMAND INDICATOR: GREEN BUILDING TRENDS

Sustainable construction – with priority on energy efficient buildings – has intensified as a global trend, embraced by the public and private sectors alike. Recent surveys of global construction industry professionals confirm that markets increasingly are demanding green building⁴, while governments continue to incent and mandate more sustainable construction in support of broader energy and climate goals. Across global markets, lighting is viewed as a critical path to increased building energy efficiency.

CHINA – WORLD’S LARGEST CONSTRUCTION MARKET

China earned its ranking as the world’s largest construction market in 2010 and is expected to hold that position through 2020. The Chinese central government faces an urgent need to reduce the energy consumed by buildings, and has established a goal of having Green Building account for 30% of new construction projects by 2020. In its 11th Five Year Plan, China slated \$300 million for R&D on building energy efficiency and Green Building. The central government incentivizes sustainable construction by providing subsidies to buildings that achieve certain levels of a green building evaluation rating, with select large cities providing additional subsidies. In its 2013 Action Plan, China’s State Council called for government, public, and certain residential buildings to comply with central government-developed Green Building standards after 2014.

China imported \$2.4 billion in subsector lighting products from the world in 2013, a drop of nearly 4% compared with 2012.⁵ The U.S. was the 5th largest source of foreign imports, behind Japan, Germany, South Korea, and Taiwan. Despite

the overall import market decline, U.S. lighting exporters increased their China import market share from 5.7% in 2013 to 6.5% in 2014.

JAPAN – ADVANCED ECONOMY MANAGING ENERGY MIX TRANSFORMATION

Although construction growth has remained slight in recent years, Japan remains the world’s third largest construction market. As Japan works to transform its energy mix away from nuclear power, it faces an imperative to exploit all opportunities to achieve greater energy efficiency, including in its building stock. Japan’s commitment to greening is seen in programs to promote labeling and information provision on energy efficiency, promote the construction of zero-energy homes, the construction of houses and buildings which use advanced CO2 reduction technologies, and to certify and promote buildings with high energy efficiency performance. Japan envisions future mandates for reporting and compliance with energy efficiency standards, with such standards for large buildings potentially coming into force from 2017.

Japan imported \$1.6 billion in subsector lighting products in 2013. The majority of subsector imports come from China, which holds a 61% share of the import market. Japan’s imports from the U.S. rank 5th, and U.S. products hold a 4.4% share of the import market. Imports from the U.S. have dropped considerably since 2007, with significant market share and absolute import value being gained by China and South Korea.

CANADA – LARGEST SUBSECTOR EXPORT MARKET, STRONG GREEN COMMITMENT

Canada is an advanced economy with an environmentally aware population that has demonstrated a commitment to sustainability. While the move toward greener buildings initially began with federal and provincial government policies geared to increasing the performance of their own stock of buildings, a noted market shift occurred in the 2008-2009 period toward private sector-led momentum.⁶ Of note has been the strong demand for large commercial office building retrofits.

Canada’s imports of subsector lighting reached \$1.9 billion in 2013. Fully 35% of these imports came from the U.S. The U.S. is Canada’s second largest source of subsector imports, behind China which claims a nearly 42% share of the market. Mexico is the third largest import source with 9% of Canada’s lighting subsector market, followed by Germany, Japan, and Italy.

Information beyond these brief introductory snapshots of select markets may be obtained from ITA.

¹ Trade data cited in this Snapshot reflect certain ceiling, wall, and other lighting fixtures, lamps, parts, and insulators and fittings categorized at the six-digit level in the Harmonized Tariff Schedule of the United States 2013 (HTSUS), reported by the U.S. Bureau of the Census in its U.S. Merchandise Trade statistics for 2014, with end-of-year 2014 figures extrapolated from data through November 2014. ITA views this product set as one representation of lighting products typically used in the built environment. The data set does not include lighting not typically found in buildings, and does not include light bulbs or lighting control systems, among other product categories.

² [Global Construction 2020](#), Global Construction Perspectives, Oxford Economics

³ [Global Construction 2020](#)

⁴ McGraw Hill Construction, [World Green Building Trends](#), SmartMarket Report 2013

⁵ Source: United Nations HS Merchandise Trade

⁶ [World Green Building Trends 2013](#)

ITA RESOURCES

FOR U.S. LIGHTING EXPORTERS

Available at the following links:

- Visit the ITA Global Design & Construction Team [site](#) for information about:
 - ITA market research, trade promotion and export development services
 - Trade leads
 - Trade missions
 - Certified Trade Fairs
 - International Buyer Program
 - Webinars, workshops and trainings
 - Other federal resources for U.S. exporters
- Success Story: Learn how ITA helped Ruud Lighting expand exports to Europe in [ITA Win: Lighting the Way to More Exports](#)
- Financial Awards: Read about [Market Development Cooperator Program](#) (MDCP) assistance to industry groups that help U.S. firms export and create jobs.
- Standards: Review [deliverables](#) of ITA-led project work on Green Building Standards in the Asia-Pacific Economic Cooperation (APEC) forum.
- Visit ITA at our main web site, [Trade.gov](#)