





# Top Seven Takeaways from the Plastics Recycling Conference

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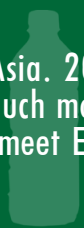
**1 Recycled Content** in packaging is going to increase in importance with expectations from consumers and retailers to see increases in recycled content in packaging. Governments may respond formally by setting mandatory targets. Best for companies to get ahead of this before being forced to achieve a target.




**2 Resin Prices** are going to stay low for the next 3-5 years as feedstock prices stay low due to shale gas extraction in the U.S. Currently R-PET is more expensive to produce than virgin PET by a significant margin. Will be difficult to achieve cost parity for R-PET.



**3 75% of recycled PET** being absorbed by the textile markets in India and Asia. 20% goes to sheet. Only 5% of recycled PET goes bottle-to-bottle. Textile markets can absorb much more and will compete strongly for R-PET. As such, could be difficult for packaging producers to meet EU 25% by 2025 or UK 30% by 2025 recycled content targets.




**4 EPR** being looked at more in US because a huge influx of capital is required to advance recycling recovery rates. It was suggested that to increase the US diversion rate by just 1%, an infusion of capital between \$20 - \$30 million is needed. Voluntary EPR still preferred over legislated EPR.



**5 Bans on materials** not a preferred approach. Advances in chemical recycling means managing previously hard to manage materials such as PS takeout trays is much easier. It was said that bans will stifle innovation in recycling for fear of no feedstock. Bag bans have contributed to an increase in PE film production as people are looking at other bags to meet the needs in home of previously reused single-use bags.



**6 China's National Sword** program will not be going away. In fact, China is working on a three year plan for plastics recycling that will maintain strict import guidelines. This does not mean China will not import plastics, just that you will need pre-approval before shipping clean plastics.



**7 The message on plastic packaging** needs to change. There are many benefits to using plastic packaging yet social media and media pressure is only focusing on the negatives. A concerted effort by all is needed to get the message out to consumers about the benefits, e.g., lower food waste, better health and safety for foods, etc.

