

How large is the bioplastics market – Current and Future ?

What factors are influencing market development ?

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European Bioplastics estimates that in 2007, all bioplastics applications comprised approximately 75,000-100,000 tons of the total 48 million ton European plastics market. Annual growth is considerably higher than 20%.

Market figures currently published by European Bioplastics are based on information which includes member surveys and publications including market studies and expert opinion. More detailed facts and figures (statistics) on market development will become available as the bioplastics' market share increases.

The majority of bioplastics have only recently completed the basic development and are thus on the brink of broader market introduction.

The EU countries with comparably advanced market development are England, Italy, Netherlands and Germany, followed by Belgium, France, Austria, Switzerland and Scandinavia. Market introduction of bioplastic products has already started in most of the EU countries.

Experts regard a technical application potential of 5-10% of the total plastics market as realistic. This estimation is based on biodegradable polymers, which have been on the market for several

years. It does not take into account bio-based PE (polyethylene), which, it was recently announced, will start production in 2009.

With regard to the theoretical technical market potential, the market for bioplastics in Europe could well reach a magnitude of about 5 million tons by 2020. The actual growth will depend on various factors, which will be outlined in more detail below. European Bioplastics has commissioned a study to analyse the potential for bioplastics (for publication at the end of 2008).

What factors are influencing market development ?

Factors exercising an influence on the development dynamic, in particular:

- Investment conditions for the construction of larger production plants
- The development of raw materials prices (agricultural versus fossil)
- Willingness of industrial users to introduce new products into the market
- Political and legal framework conditions which can hamper or promote the market introduction of bioplastics