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Argus Recycled Polymers

Market news, analysis and weekly prices

Issue 26-42 | Friday 16 October 2026

Plastic PRNs tight without big buyer sell-back

EDITORIAL: Even with a lower compliance target, the pace of PRN crediting needs to speed up over the rest of the year

Supply and demand of UK plastic packaging recovery notes (PRNs) is likely to stay tightly balanced up to the end of the year, possibly causing prices to level out or rebound, despite the UK Environment Agency reducing the penalty threshold for non-compliance to 83pc of targets. The key swing factors are to what extent companies have over-bought and are likely to sell back to the market, and to what extent export-generated notice availability will tail off.

Around 295,000 UK plastic PRNs need to be credited to producers in September-December for buyers to reach 83pc of their obligations for 2026, equivalent to 74,000 plastic PRNs/month, *Argus* analysis of Environment Agency data shows. The lower 83pc threshold was announced by the UK government in a regulatory position statement (RPS) last week. It is much fewer plastic PRNs than a 100pc obligation would require but is higher than the 73,000 plastic PRNs/month average in January-August, indicating that the final four months of the year could still see higher PRN demand than over the year so far, despite the RPS.

This analysis assumes companies will purchase their minimum penalty-free obligations. While producers' legal obligations remain unchanged, regulators have indicated they will not enforce against compliance schemes purchasing only 83pc of plastic obligations, UK compliance organisation Ecosurety analyst Matthew Austin says. If some companies continue to aim for 100pc compliance, demand could be even higher, Austin says, although he noted there has been little evidence of customers wanting to buy beyond their effective requirement, particularly given high compliance costs and wider economic pressures.

Tight supply of plastic PRNs up to the end of the year is expected to drive up prices. But plastic PRNs were assessed at £500/PRN ($660/PRN) on 9 October, £100 lower than a week earlier, and prices appear to have dropped further this week. Plastic PRN prices fell directly after the RPS was released and have continued to decline since then, although remaining above the historical average.

PRN supply could be buoyed by companies that bought more than 83pc of their requirement prior to the RPS selling on the secondary market. The amount available for sell-back is a key unknown, but these additional PRNs are likely to find buyers, given how tight supply is, market participants say. These supplies are likely to come from direct buyers only, as those in compliance schemes may choose to move PRNs between members, Ecosurety says. Scheme members' obligations are aggregated into a single obligation rather than managed individually.

Export PRNs set to drop

Supply of plastic packaging export recovery notes (PERNs) could decrease if the gap between current PRN prices and 2027 prices remains wide. A change in the UK's extended producer responsibility (EPR) regulation this year meant exporters can now only claim PERNs on material once it has reached its destination. Deals for 2027 PRNs have been reported at £300-350/t, around £100/t lower than current prices. Exporters may become increasingly reluctant to ship material that cannot reasonably arrive before year-end. This creates a potential cut-off point for shipments intended to generate 2026 PERNs, reducing supply in the final weeks. However, Andrew Letham from PRN marketplace The Environment Exchange (t2e) said that if December prices fall too close to the 2027 price, there

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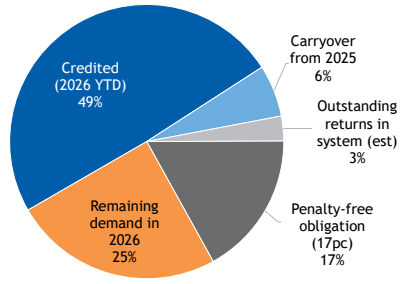
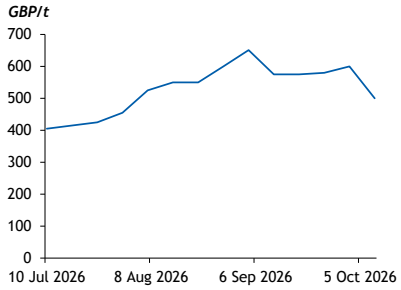
Pc of PRN obligations met Jan-Aug 2026



Plastic packaging recovery note (PRN) price



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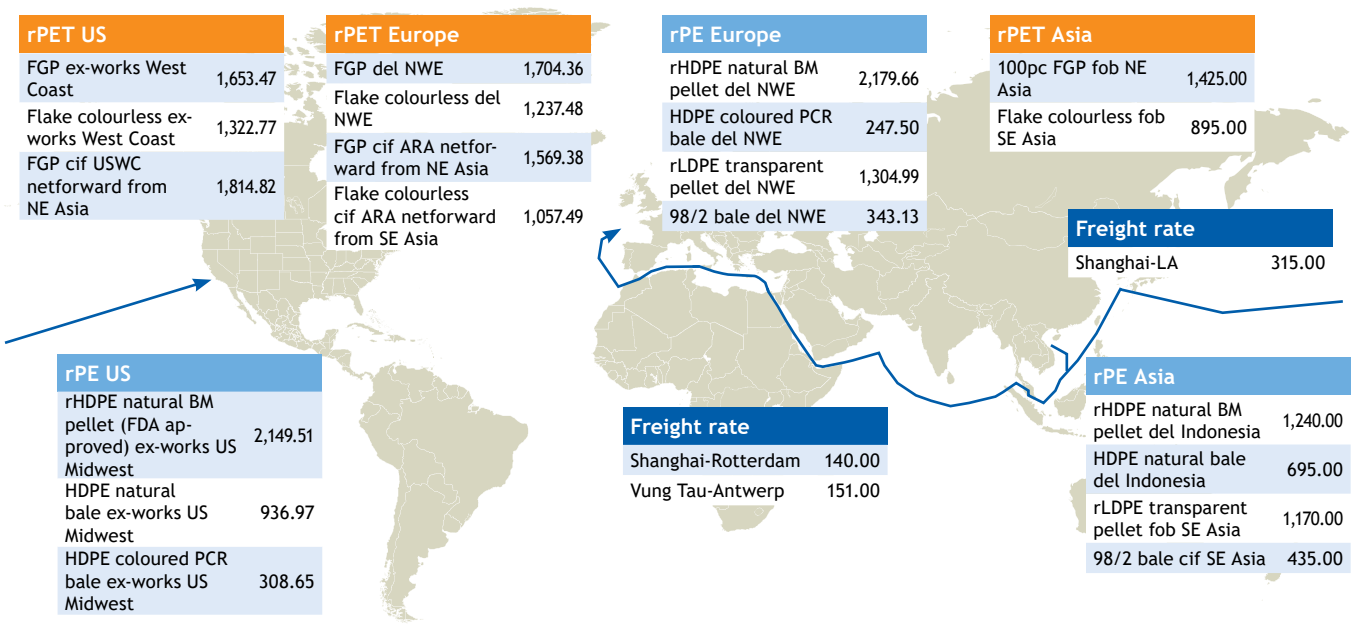
GLOBAL PRICES

$/t



rPET US	
FGP ex-works West Coast	1,653.47
Flake colourless ex-works West Coast	1,322.77
FGP cif USWC netforward from NE Asia	1,814.82

rPET Europe	
FGP del NWE	1,704.36
Flake colourless del NWE	1,237.48
FGP cif ARA netforward from NE Asia	1,569.38
Flake colourless cif ARA netforward from SE Asia	1,057.49

rPE Europe	
rHDPE natural BM pellet del NWE	2,179.66
HDPE coloured PCR bale del NWE	247.50
rLDPE transparent pellet del NWE	1,304.99
98/2 bale del NWE	343.13

rPET Asia	
100pc FGP fob NE Asia	1,425.00
Flake colourless fob SE Asia	895.00

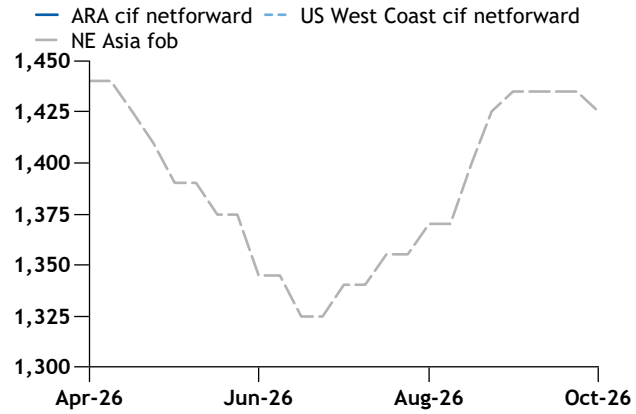
Freight rate	
Shanghai-LA	315.00

rPE US	
rHDPE natural BM pellet (FDA approved) ex-works US Midwest	2,149.51
HDPE natural bale ex-works US Midwest	936.97
HDPE coloured PCR bale ex-works US Midwest	308.65

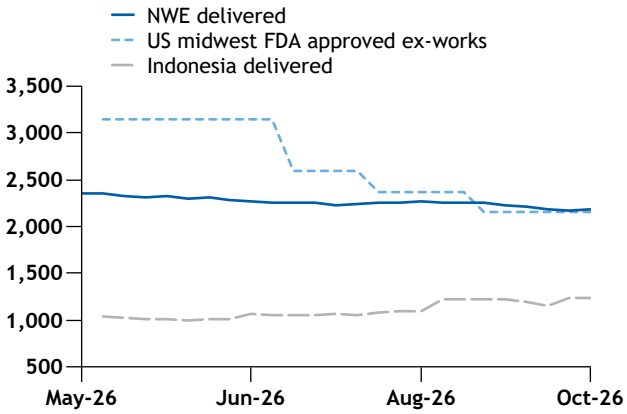
Freight rate	
Shanghai-Rotterdam	140.00
Vung Tau-Antwerp	151.00

rPE Asia	
rHDPE natural BM pellet del Indonesia	1,240.00
HDPE natural bale del Indonesia	695.00
rLDPE transparent pellet fob SE Asia	1,170.00
98/2 bale cif SE Asia	435.00

Global rPET FGP netforwards (basis NE Asia) *$/t*



Global rHDPE natural prices *$/t*



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MARKETS UPDATE — rPET — EUROPE

rPET market steadying across Europe

European rPET markets stabilised in October as pressure on prices eased and sentiment improved slightly. Firmer virgin PET (vPET) pricing, tighter bale supply and steady end-user demand underpinned the trend.

The PET bale market was mixed. In the UK, remained depressed by sharp corrections in packaging recovery note, (PRN) prices, particularly in the spot market. Underlying supply and demand were little changed. Export opportunities for UK bale sellers are expected to fade toward year-end as weaker PRN values deter overseas buyers, easing competition for domestic material. Prices are likely to continue falling alongside bearish sentiment. Across Europe, participants indicated bale prices were near a floor, with cheap offers increasingly scarce and prices at the high end of the ranges falling away. Clear-bottle bale supply tightened seasonally, while the lowest-priced offers seen earlier in central Europe, especially Poland, disappeared as inventories cleared. Demand for high bottle-content grades stayed firm in the flake and pellet segments.

Flake prices were broadly steady through October, with regional differences narrowing to create a more harmonised market. Demand from sheet and thermoform producers held up and competition for feedstock did not trigger strong price gains. Recyclers largely aimed to maintain current values. Earlier forecasts that cheaper bales would drag flakes lower did not materialise as firmer vPET prices provided support.

European spot vPET stood at €1,300-1,350/t delivered for domestic product, with expectations of further increases. The rPET flake discount to vPET widened again to about €225/t. The food-grade pellet premium over vPET narrowed to around €190/t from €255/t in summer and from highs above €500/t early in the year.

Food-grade pellet trade remained stable, with healthy demand despite the seasonally quieter period. Some converters reported quality issues in lower-value material. Prices ranged from about €1,450/t to above €1,600/t delivered, mostly in the low €1,500/t area. Traders said buyers were becoming more focused on certification.

Import offers remained active from southeast Asia and north Africa, but exporters in Asia increasingly served domestic and regional buyers. Import flake offers were heard at €950-1,000/t cif and pellet offers at €1,300-1,550/t cif. Domestic prices remained competitive, with buyers favouring local supply to avoid freight costs and delays.

Firmer vPET values continued to bolster the recycled chain, reinforcing expectations that rPET markets could hold steady into year-end.

Recycled PET Europe bottle market prices *€/t*

	Timing	Low	High	Midpoint	Δ
Bale prices					
PET bottle colourless, del W Europe	16-Oct	250.00	330.00	290.00	-10.00
PET bottle colourless, del N Europe	16-Oct	250.00	330.00	290.00	-10.00
PET bottle colourless, del UK *£/t*	16-Oct	350.00	420.00	385.00	-25.00
PET bottle tray-out colourless, del UK *£/t*	25-Sep	540.00	580.00	560.00	-10.00
PET bottle colourless, del central Europe	16-Oct	240.00	330.00	285.00	nc
PET bottle colourless, del eastern Europe	16-Oct	250.00	330.00	290.00	-5.00
PET bottle bale colourless, yellow container, ex-works	Oct 26	0.00	126.00	71.12^	nc
Flake prices					
Bottle flake colourless, del NWE	16-Oct	1,070.00	1,130.00	1,100.00	nc
Bottle flake colourless, del S Europe	16-Oct	1,050.00	1,120.00	1,085.00	nc
Bottle flake colourless, del CEE	16-Oct	1,040.00	1,120.00	1,080.00	nc
Bottle flake colourless, del UK *£/t*	16-Oct	930.00	970.00	950.00	+15.00
Packaging recovery note (PRN) plastic UK *£/t*	16-Oct	-	-	425.00	-75.00
Food grade pellet					
del NWE	16-Oct	1,450.00	1,580.00	1,515.00	+10.00
del S Europe	16-Oct	1,450.00	1,580.00	1,515.00	+10.00
del CEE	16-Oct	1,450.00	1,580.00	1,515.00	+10.00

^Price is a Volume Weighted Average

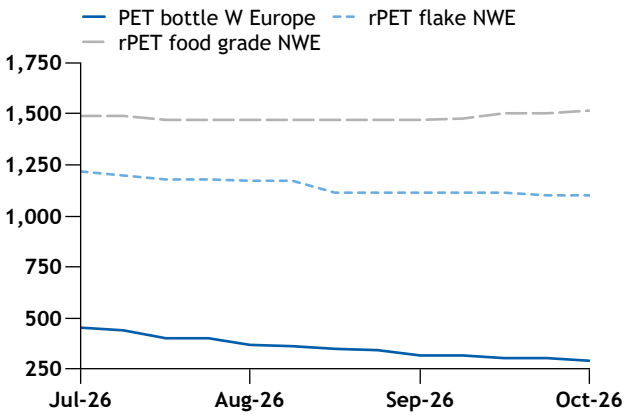
Recycled PET Europe costs *€/t*

	Timing	Low	High	Midpoint	Δ
rPET bale to pellet cost Europe	16-Oct	983	1,021	1,002.0	+7.0
rPET flake to pellet cost Europe	16-Oct	513	515	514.0	+6.0

Recycled PET Europe tray market prices *€/t*

	Timing	Low	High	Midpoint	Δ
Bale prices					
Monolayer colourless, del W Europe	25-Sep	0.00	20.00	10.00	-2.50
Multilayer colourless, del W Europe	25-Sep	-350.00	-250.00	-300.00	nc
Flake price					
Colourless, del W Europe	25-Sep	800.00	1,000.00	900.00	-25.00

rPET supply chain W Europe *€/t*



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MARKETS UPDATE — rPET — AMERICAS

West coast market steady

West Coast PET A-grade bale prices remained steady at 13-15¢/lb as domestic reclaimers continued to absorb available supply. Demand for exports to Colombia remained an important outlet for A-grade material, with sources attributing buying interest to the country's recycled-content mandate and insufficient domestic supply to meet those requirements. Demand from Mexico and Southeast Asia remained subdued.

West Coast PET B-grade bale prices remained steady at 1-3¢/lb. Demand remained weak, with ample inventories and limited end-market demand preventing upward price movement.

East Coast PET bale prices declined at 1-3¢/lb, as export activity softened. Turkish purchasing had slowed from earlier levels, reducing an important export outlet for East Coast material. Canadian consumers and some Midwest demand continued to support bale movement, but those channels were insufficient to offset weaker export activity and broader pricing pressure.

West Coast flake prices remained stable at 55-65¢/lb as demand from thermoform and food-packaging applications remained healthy. Flake maintained a cost advantage over both virgin PET and pellets, supporting steady purchasing interest. Limited import competitiveness because of freight costs and higher offshore offers further supported domestic flake values. West Coast PET pellet prices held steady at 70-80¢/lb as adequate domestic supply balanced demand from packaging and beverage applications.

Recycled PET US weekly market prices *ex-works*

	Timing	Currency	Low	High	Midpoint	Δ
Weekly						
PET bottle bale A grade US west coast	16-Oct	¢/lb	13.00	15.00	14.00	nc
		$/t	286.60	330.69	308.65	nc
PET bottle bale B grade US west coast	16-Oct	¢/lb	1.00	3.00	2.00	nc
		$/t	22.05	66.14	44.10	nc
PET bottle bale US east coast	16-Oct	¢/lb	1.00	3.00	2.00	-1.00
		$/t	22.05	66.14	44.10	-22.05

Recycled PET US monthly market prices *ex-works*

	Timing	Currency	Low	High	Midpoint	Δ
Monthly						
rPET flake colourless US west coast	Oct 2026	¢/lb	55.00	65.00	60.00	nc
		$/t	1,212.54	1,433.00	1,322.77	nc
rPET pellet US west coast	Oct 2026	¢/lb	70.00	80.00	75.00	nc
		$/t	1,543.23	1,763.70	1,653.47	nc

MARKETS UPDATE — rPET — ASIA-PACIFIC

Pellet export prices under pressure

Demand for rPET in the Asia-Pacific was muted this week, with lower virgin PET values pressuring the northeast Asian pellet market, and limited buying interest for exports from southeast Asia. Pellet export prices declined in both regions.

In northeast Asia, mainland Chinese producers offered 100pc rPET pellets at $1,420-1,430/t fob China, but purchasing activity became more cautious and buyers lowered their bids to $1,350-1,400/t fob on softer virgin PET prices. A few small-volume deals were concluded at $1,400-1,420/t fob, while one producer reported a 1,000t transaction at $1,380/t fob.

Taiwanese manufacturers said negotiations were limited throughout the week. Sellers maintained offers at $1,450-1,480/t fob Taiwan and concluded a handful of small-volume deals at $1,420-1,470/t fob during the first half of the week. Activity slowed in the second half.

Trading in China's domestic rPET flake market was also limited. Recyclers sought higher prices following gains in PET bale values over the past two weeks. Premium-grade rPET flakes for fibre applications rose to 6,800-6,900yuan/t, while flakes for packaging applications held steady at Yn6,900-7,000/t as buyers adopted a more cautious stance.

PET bale trading remained limited. Prices were unchanged at Yn5,000-5,100/t, with deals concluded at Yn5,050-5,100/t in south China and Yn5,000-5,100/t in east China. Prices for 25pc rPET pellets were assessed slightly lower at $1,230-1,280/t fob, tracking softer virgin PET resin values.

In southeast Asia, recyclers lowered offers for rPET pellets exports amid seasonally-lower demand, and despite a slight uptick in domestic bale prices during the past fortnight.

The assessed range for rPET mixed-colour flakes export prices was down this week at $840-890/t fob southeast Asia, compared at $840-910/t fob southeast Asia last week. Offers

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MARKETS UPDATE — rPET — ASIA-PACIFIC

were heard at $900/t fob Thailand, at $900/t fob Vietnam, and at $850-880/t fob Thailand. The assessed range for colourless rPET flake export prices was unchanged at $850-940/t fob southeast Asia this week. Trade indications were initially reported at $850-940/t fob Southeast Asia.

Export prices for rPET pellets also declined on the week, to $1,150-1,190/t fob southeast Asia this week, from $1,150-1,200/t last week. Offers were heard at $1,150-1,250/t fob Thailand, and at $1,200/t fob Vietnam, although market participants indicated that the transactable level was slightly lower than $1,200/t at the upper end.

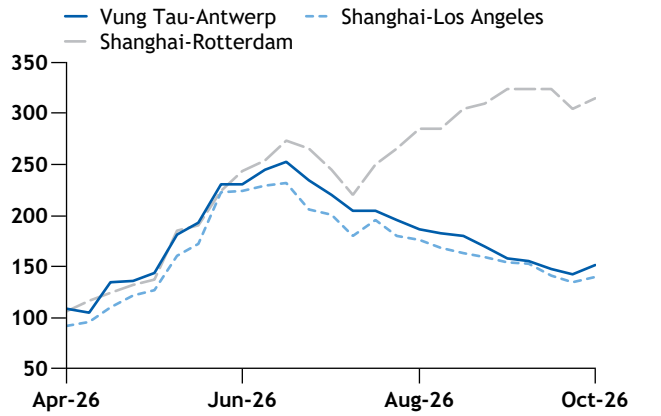
Domestic bale prices in Indonesia and Thailand rose slightly last week, and stabilised at the higher level this week. In Indonesia, this was attributed to solid buying interest from food grade recyclers that sell pellets into the domestic market, where recent increases in virgin PET have made using recycled material more economically attractive. In Thailand, the increases were mainly attributed to tighter availability, because of flooding in parts of the country, which disrupted collection and recovery activities.

Domestic colourless bale rPET prices were at 9,700-12,000 rupiah/kg this week, compared at 9,500-11,500 rupiah/kg two weeks ago. Trade indications were initially reported between 9,700-12,000 rupiah/kg, and at 9,600 rupiah/kg.

Domestic mixed-colour bale rPET prices were at 9,300-9,700 rupiah/kg this week, compared at 9,300-9,500 rupiah/kg two weeks ago. Trade indications were reported between 9,300-9,700 rupiah/kg, and at 9,500-9,600 rupiah/kg.

Container freight rates

$/t



Recycled PET Asia-Pacific market prices

	Timing	Currency	Low	High	Midpoint	Δ
North East Asia rPET						
PET bottle bale colorless domestic China	16-Oct	CNY/t	5,000.00	5,100.00	5,050.00	nc
rPET food grade pellets 25pc fob NE Asia	16-Oct	$/t	1,230.00	1,280.00	1,255.00	-20.00
rPET food grade pellets 100pc fob NE Asia	16-Oct	$/t	1,380.00	1,470.00	1,425.00	-10.00
rPET flakes domestic China	16-Oct	Yuan/t	6,800.00	7,000.00	6,900.00	+50.00
South East Asia rPET						
PET bottle bale colourless domestic Indonesia	16-Oct	IDR/kg	9,700.00	12,000.00	10,850.00	nc
		$/t	540.00	670.00	605.00	nc
PET bottle bale mixed colour domestic Indonesia	16-Oct	IDR/kg	9,300.00	9,700.00	9,500.00	nc
		$/t	520.00	540.00	530.00	nc
rPET food grade flakes colourless fob southeast Asia	16-Oct	$/t	850.00	940.00	895.00	nc
rPET food grade flakes mixed colour fob southeast Asia	16-Oct	$/t	840.00	890.00	865.00	-10.00
rPET pellets fob southeast Asia	16-Oct	$/t	1,150.00	1,190.00	1,170.00	-5.00

Calculated rPET netforwards

	Timing	Low	High	Midpoint	Δ
rPET food grade pellet cif USWC - netforward from NE Asia $/t (20t/FEU)	16-Oct	1,746.30	1,883.33	1,814.82	+3.62
rPET food grade pellet cif ARA - netforward from NE Asia $/t (24t/FEU)	16-Oct	1,514.06	1,624.69	1,569.38	-3.82
€/t	16-Oct	1,345.85	1,444.19	1,395.02	-10.00
rPET flake cif ARA - netforward from SE Asia $/t (23t/FEU)	16-Oct	1,006.03	1,108.95	1,057.49	+9.69
€/t	16-Oct	894.26	985.75	940.01	+4.21

Container freight rates $/t

Route	Low	High	Midpoint	Source
Shanghai-Los Angeles	296.00	334.00	315.00	Freightos
Shanghai-Rotterdam	130.00	150.00	140.00	Freightos
Vung Tau-Antwerp	145.00	157.00	151.00	Freightos

**Freight rates used in net forward calculations are adjusted for the specified shipment size per FEU*

FREIGHTOS

Argus freight rates are as of the day of publication. Rates derived from Freightos data are of the previous day. Selected polymer spot freight rates are calculated by Argus methodology, based on underlying data from the online freight marketplace, Freightos. Visit www.freightos.com for complete lists of $/FEU rates in the wider spot container market.

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MARKETS UPDATE — RPE/RPP — EUROPE

UK PRN prices fall sharply

Northwest European recycled polyolefin pellet prices were stable in the past two weeks. Exports of flexible PE bales continued strongly ahead of upcoming restrictions, while a sharp drop in PRN prices disrupted the UK bale market.

UK plastic PRN prices fell by £175/t to £425/t after the Environment Agency announced on the morning of 9 October that buyers of plastic PRNs only need to meet 83pc of their original 2026 target to avoid penalties. Spot trade in bales was limited since, as many sellers had forward-sold as much volume as possible in anticipation of PRN intervention, and buyers were cautious about committing to prices while the potential for further volatility in PRN values remained.

Prices for HDPE natural bales were least affected, with large buyers appearing willing to maintain previously agreed prices, even for new material, until negotiations for November supply begin in the coming weeks. HDPE mixed-colour bale prices were assessed at £635-675/t delivered this week, with reports of material secured at £600/t ex-works, but some sellers indicated they would not accept such low levels, noting solid demand before the PRN drop. PP bale prices were assessed at £660-730/t delivered this week, in line with the high and low end of reported deals. Prices for 98/2 PE film bales typically react fastest to PRN changes because of exposure to exports. Spot trade was limited, with buyers holding out for lower levels than sellers were willing to accept. The price was assessed at £625-675/t this week, taking into account export parity prices and lower buying ideas.

In mainland Europe, prices for 98/2 bales held at €290-320/t this week. Exporters' and European recyclers' buying prices were closely aligned. Exporters bought strongly to secure material to ship to southeast Asia before the EU ban on non-OECD exports from 21 November. Recyclers were unwilling to outbid them, anticipating that the export ban will cause prices to drop from early November. When negotiating, they cited their value as long-term customers after the ban. Prices for 80/20 and mixed-colour bales climbed by €5/t and €10/t, respectively, this week, with solid demand from Malaysia and a rise in exports to Turkey as more counterparties had the necessary notifications approved.

Northwest European rigid polyolefin bale prices were assessed as stable in the past two weeks. Availability of PP bales remains ample, which some market participants expect could lead to further downward pressure on prices in the coming weeks, although this may be offset by higher utility and freight costs for sorting companies.

Pellet prices were also assessed stable this week, with most recyclers reporting limited success in passing on higher costs to their customers, despite a jump in virgin PE and PP spot prices in the past four to five weeks. It remains to be seen to what extent recyclers will continue to target increases when prices for November supply begin to be negotiated in the next two weeks. In addition to recyclates becoming more economically attractive compared with virgin polymers, seasonally-rising plant pot production could support rPP demand to some extent. However, demand from the construction industry is weak, and it is common for polymer buyers to reduce inventories towards the end of the year, which could reduce buying interest.

Europe recycled polyolefins

	Timing	Low	High	Midpoint	Δ
Bales del NWE (€/t)					
HDPE rigid bale (D329 or equivalent)	16-Oct	200.00	240.00	220.00	nc
PP rigid bale PCR (D324 or equivalent)	16-Oct	135.00	195.00	165.00	nc
Shrink hood flexible PE bale	16-Oct	730.00	800.00	765.00	nc
98/2 flexible PE bale post-commercial	16-Oct	290.00	320.00	305.00	nc
80/20 flexible PE bale post-commercial	16-Oct	90.00	110.00	100.00	+5.00
Mixed colour flexible PE bale post-commercial	16-Oct	30.00	70.00	50.00	+10.00
Kerbside flexible bale (D310)	2-Oct	-250.00	-200.00	-225.00	-30.00
Mixed plastic waste (D350 fraction) del German incinerator*	2-Oct	-185.00	-150.00	-167.50	nc
Bales del UK (£/t)					
HDPE natural PCR bale	16-Oct	1,015.00	1,075.00	1,045.00	nc
HDPE coloured PCR bale	16-Oct	635.00	675.00	655.00	-50.00
PP PCR bale	16-Oct	660.00	730.00	695.00	-60.00
98/2 flexible PE bale post-commercial	16-Oct	625.00	670.00	647.50	-67.50
Packaging recovery note (PRN) plastic UK	16-Oct	-	-	425.00	-75.00
Bales ex-works Spain (€/t)					
HDPE bottle bale coloured PCR	4Q26	251.00	400.00	344.71^	nc
Regrind del NWE (€/t)					
HDPE regrind mixed colour household packaging	16-Oct	600.00	680.00	640.00	-10.00
PP regrind mixed colour household packaging	16-Oct	580.00	650.00	615.00	nc
Regranulate prices del NWE (€/t)					
rHDPE BM white, from PCR, deodorised	16-Oct	1,550.00	1,800.00	1,675.00	nc
rHDPE BM natural from PCR deodorised del NWE	16-Oct	1,800.00	2,075.00	1,937.50	nc
rHDPE pipe dark/black	16-Oct	880.00	1,000.00	940.00	nc
rPP light, packaging, deodorised	16-Oct	1,580.00	1,875.00	1,727.50	nc
rPP grey, high MFI, plant pot and bucket	16-Oct	870.00	980.00	925.00	nc
rPP IM dark/black	16-Oct	800.00	980.00	890.00	nc
rLDPE/LLDPE shrink film transparent	16-Oct	1,365.00	1,525.00	1,445.00	nc
rLDPE/LLDPE stretch film transparent	16-Oct	1,265.00	1,375.00	1,320.00	nc
rLDPE/LLDPE standard film transparent	16-Oct	1,045.00	1,275.00	1,160.00	nc
rLDPE/LLDPE standard film dark/black	16-Oct	670.00	800.00	735.00	nc

**Prices are negative when payment is made to the recipient to take the material*

^Price is a Volume Weighted Average

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MARKETS UPDATE — RPE/RPP — AMERICAS

rPE and rPP prices rise

Natural HDPE bale prices increased to 40-45¢/lb, as larger reclaimers returned to the market seeking large volumes of additional feedstock after working through previous accumulated inventories, tightening available supply.

Mixed color HDPE bales increased to 12-16¢/lb, as seasonal demand from pipe and drainage manufacturers strengthened ahead of colder weather. The material remains a preferred feedstock for pipe applications because the end products do not require the color consistency. As a result, pipe producers and reclaimers increased purchases to replenish inventories and support ongoing construction and infrastructure-related demand.

rHDPE natural FDA and rHDPE grey pellet prices were stable heading into October at 85-110¢/lb and 45-55¢/lb, respectively, as comfortable inventories and subdued demand reduced the need for aggressive purchasing. The market remains heavily tied to virgin HDPE blow molding economics, with converters showing little appetite to increase PCR usage beyond mandated or customer driven requirements. rHDPE PIR black prices declined by 2.50¢/lb at 45-60¢/lb, as demand from established industrial and commercial applications remained limited. Ample supplies reduced upward pressure on pellet prices.

PP bale prices increased to 4-10¢/lb, with support from strong buying interest from a limited number of buyers remain supporting bale values. While the market remains generally oversupplied, those purchases were sufficient to lift prices modestly.

rPP light grey FDA pellet prices remained steady at 80-100¢/lb, while rPP light grey non-FDA pellets held at 50-70¢/lb. Demand from packaging applications continued to support the market, but buying activity was insufficient to push prices higher. Supply remained adequate as producers scaled back initiatives to increase PCR content following delays with recycled-content mandates, reducing near-term pressure for additional material. Meanwhile, rPP PIR dark black pellet prices increased by 1.5¢/lb to 53-65¢/lb, supported by stronger demand from industrial and manufacturing applications. Buying interest increased as reclaimers and producers sought lower-cost feedstock for products that do not require food-grade certification. New Jersey's decision to push compliance requirements to 2030 encouraged greater use of cost-competitive PIR material.

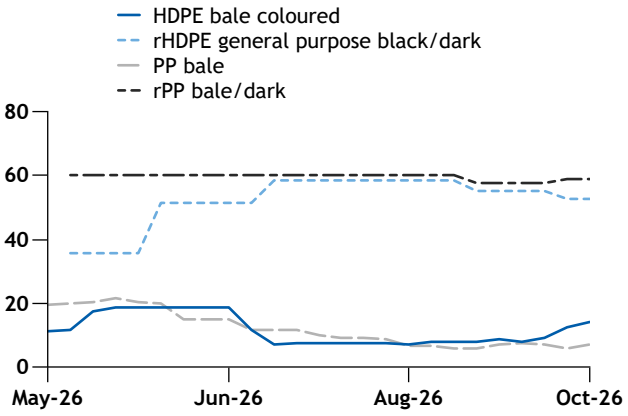
Recycled polyolefins US Midwest weekly market prices

	Timing	Currency	Low	High	Midpoint	Δ
Weekly						
HDPE natural PCR bottle bale	16 -Oct	¢/lb	40.00	45.00	42.50	+5.00
		$/t	881.85	992.08	936.97	+110.23
HDPE coloured PCR bottle bale	16 -Oct	¢/lb	12.00	16.00	14.00	+1.50
		$/t	264.55	352.74	308.65	+33.07
PP PCR bale	16 -Oct	¢/lb	4.00	10.00	7.00	+1.00
		$/t	88.18	220.46	154.32	+22.04

Recycled polyolefins US Midwest monthly market prices

	Timing	Currency	Low	High	Midpoint	Δ
Monthly						
rHDPE BM natural, FDA approved	Oct 2026	¢/lb	85.00	110.00	97.50	nc
		$/t	1,873.93	2,425.08	2,149.51	nc
rHDPE BM light grey, non-FDA approved	Oct 2026	¢/lb	45.00	55.00	50.00	nc
		$/t	992.08	1,212.54	1,102.31	nc
rHDPE PIR dark/black general purpose	Oct 2026	¢/lb	45.00	60.00	52.50	-2.50
		$/t	992.08	1,322.77	1,157.43	-55.12
rPP light grey, FDA approved	Oct 2026	¢/lb	80.00	100.00	90.00	nc
		$/t	1,763.70	2,204.62	1,984.16	nc
rPP light grey, non-FDA approved	Oct 2026	¢/lb	55.00	70.00	62.50	nc
		$/t	1,212.54	1,543.23	1,377.89	nc
rPP PIR dark/black general purpose	Oct 2026	¢/lb	53.00	65.00	59.00	+1.50
		$/t	1,168.45	1,433.00	1,300.73	+33.07

HDPE, PP bale, regranulate US Midwest *¢/lb*



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MARKETS UPDATE — RPE/RPP — ASIA-PACIFIC

SE Asia robust

Indonesian domestic recycling activity remained robust, as elevated virgin polymer prices improved the competitiveness of recycled materials and provided greater incentives for buyers to increase recycled consumption, according to market participants.

Indonesian HDPE rigid bale prices was at 9,800-15,000 rupiah/kg, compared with 9,500-13,000 rupiah/kg two weeks ago. Trade indications were heard at 9,800-15,000 rupiah/kg this week.

Indonesian rHDPE natural-colour pellet prices were at 18,500-26,000 rupiah/kg, compared with 17,000-24,000 rupiah/kg two weeks ago. Trade indications were heard at 18,500-26,000 rupiah/kg. Offers were heard at 26,300 rupiah/kg this week.

Prices for 98/2 PE bales were $400-470/t cif Southeast Asia, compared with $380-460/t cif southeast Asia two weeks ago. Trade indications were heard at $420/t cif Malaysia this week.

Southeast Asian market participants reported stronger buying interest for Indonesian 98/2 PE bales this month, as buyers sought to secure material ahead of the upcoming EU plastic waste export ban. The increased procurement activity supported higher deal levels, with market participants noting firmer pricing indications amid stronger demand.

The rLDPE/LLDPE transparent pellet price assessment was at $940-1,400/t fob southeast Asia, having remained stable during the past fortnight.

China's domestic rHDPE market remained quiet this week, with prices easing marginally on limited demand.

Recyclers reported limited negotiations this week, with domestic prices for BM natural-colour rHDPE easing to Yn10,800-11,500/t amid softer virgin PE values. Only a few small-volume deals were concluded during the assessment period.

Export activity on an fob China basis was also subdued. Sellers maintained offers at $1,450-1,480/t fob China, while weak spot demand pressured notional discussion levels to $1,380-1,450/t fob China, reflecting softer market sentiment.

Recycled polyolefins Asia Pacific market prices

	Timing	Currency	Low	High	Midpoint	Δ
South East Asia rPE						
HDPE rigid bale PCR domestic Indonesia	16-Oct	*IDR/kg*	9,800.00	15,000.00	12,400.00	nc
		$/t	550.00	840.00	695.00	nc
98/2 flexible PE bale, post commercial cif SE Asia	16-Oct	*$/t*	400.00	470.00	435.00	nc
rHDPE natural, from PCR, domestic Indonesia	16-Oct	*IDR/kg*	18,500.00	26,000.00	22,250.00	nc
		$/t	1,030.00	1,450.00	1,240.00	nc
rLDPE/LLDPE standard film, transparent. fob southeast Asia	16-Oct	*$/t*	940.00	1,400.00	1,170.00	nc
North East Asia rPE						
rHDPE BM natural colour from PCR, food contact, fob China	16-Oct	*$/t*	1,380.00	1,450.00	1,415.00	-10.00

SUSTAINABLE FEEDSTOCKS

Europe, Asia bionaphtha premiums diverge

Premiums for UCO-based bionaphtha over fossil naphtha declined in Europe during the past fortnight, owing to lower demand from the road fuels sector and end of year destocking activity in the petrochemicals market. Conversely, premiums in the northeast Asian market rose.

In the ARA market, *Argus* assessed UCO-based bionaphtha premiums at around $1,100/t to fossil naphtha for the chemicals sector and around $1,350/t for the road fuel sector, down by $75/t and $70/t on the fortnight, respectively.

Road fuel bionaphtha values were pressured by weaker demand from Germany, as low Rhine water levels continued

Advanced Recycling/Bio-feedstocks

	Timing	Currency	Low	High	Midpoint	Δ
Europe						
Pyrolysis oil plastic-derived refinery grade fca Europe	16 -Oct	*€/t*	1,050.00	1,250.00	1,150.00	nc
Pyrolysis oil plastic-derived light fraction fca Europe	16 -Oct	*€/t*	1,250.00	1,400.00	1,325.00	nc
Circular naphtha premium	16 -Oct	*$/t*	950.00	1,050.00	1,000.00	nc
Bionaphtha chemical feedstock UCO-based fob ARA	16 -Oct	*$/t*	2,015.00	2,025.00	2,020.00	-5.00
Asia-Pacific						
Bionaphtha cfr Northeast Asia	Oct 2026	*$/t*	1,875.00	1,895.00	1,885.00	-75.00

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SUSTAINABLE FEEDSTOCKS

to restrict deliveries into Germany, reducing buying appetite. Some obligated buyers were understood to have already covered their requirements for 2026.

Market participants said petrochemical consumers remained reluctant to pay premiums close to those available in the road fuel market, despite seeking similar waste-based feedstocks. Some in the market also reported year-end destocking activity, with some companies seeking to clear inventories before the end of the year.

In northeast Asia, delivered outright prices for ISCC Plus bionaphtha rose by $140/t over the fortnight, to $2,050/t on 16 October from $1,910/t on 2 October.

Premiums over Japanese fossil naphtha rose by $60/t over the period to $1,060/t from $1,000/t. A deal for 3,000-5,000t of ISCC+ bionaphtha concluded this week, at a premium of between $1,055-1,065/t over its fossil counterpart on a cfr northeast Asia basis for November-December delivery, sources said. Traded volumes are in line with *Argus*' assessed range, and the delivery period falls within the assessment's window of 30-60 days forward from today.

A buyer also reported ongoing negotiations for ISCC+ bionaphtha around $1,000/t premiums cfr northeast Asia, though for December-loading 2,000t volumes. A seller saw buying interest for first-quarter 2027 volumes, and a trader reported some term cargoes already sold for next year, although price levels were not confirmed.

The European circular feedstocks market remained largely quiet. Participants continue to report that the number of enquiries has increased since the EU's Packaging and Packaging Waste Regulation (PPWR) was formally adopted in August, but that this is yet to result in a meaningful increase in volume of orders. Prices for plastic-derived pyrolysis oil were assessed stable at €1,050-1,250/t for refinery grade material and $1,250-1,400/t for light fraction material, both on a cfr Europe basis, with no new deals reported.

The premium for circular naphtha over fossil naphtha was assessed stable at $950-1,050/t. Indications that material could be available at a lower premium were not widely confirmed, and not considered reflective of the wider market by other participants. No new deals were confirmed.

Argus Biofuels coverage

Please see Argus Biofuels for daily bionaphtha prices, and prices, commentary and analysis from the global biofuels market.
See https://www.argusmedia.com/en/bioenergy/argus-biofuels to find out more.

PETROCHEMICAL MARKETS

Europe

Underlying demand for virgin PE and PP in Europe remained subdued this week, but rising naphtha prices and disruption to inland production owing to feedstock constraints continued to spur sellers to target contract price increases over and above this month's €80/t rise in ethylene and propylene.

Persistently low Rhine water levels continued to affect supply of feedstocks to inland German steam crackers, disrupting olefin and polymer production.Supply of LDPE and some LLDPE grades is relatively tight, while Braskem declared force majeure on PP supply in Europe owing to disruption to its German operations.

Producers are aiming to increase contract prices by €80-150/t in October, while buyers argue that the difference between spot and contract prices remains wide and demand does not support three-figure increases.

Spot prices for PP were assessed €25/t higher this week, while PE spot prices were stable except for LDPE which increased by €25/t at the upper end.

Olefin monthly contracts & Polymer spot

	Timing	Midpoint	Δ
Ethylene contract			
del NWE €/t	Oct 26	1,555.00	+80.00
cfr Taiwan $/t	Jul 26	993.00	+18.00
Pipeline USGC ¢/lb	Sep 26	33.25	+0.50
Polymer grade propylene (PGP) contract			
del Europe €/t	Oct 26	1,490.00	+80.00
del Taiwan $/t	Jul 26	978.00	-62.00
fob US ¢/lb	Sep 26	43.00	-2.00
HDPE IM spot			
del NWE $/t	16 -Oct	1,378.00	+6.00
cfr China $/t*	16 -Oct	1,085.00	+25.00
fas Houston bagged $/t	16 -Oct	1,091.00	-44.00
Polypropylene spot			
homopolymer del NWE $/t	16 -Oct	1,462.50	+34.50
raffia cfr China $/t	16 -Oct	1,260.00	+15.00
LLDPE butene-1 spot			
del NWE $/t	16 -Oct	1,378.00	+6.00
fas Houston $/t	16 -Oct	1,146.00	+11.00
cfr China $/t	16 -Oct	1,195.00	+70.00

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PETROCHEMICAL MARKETS

Americas

Export price ranges narrowed in the US/Canada polyethylene (PE) market this week, with some prices moving slightly higher and some moving slightly lower, as producers sought to find workable price levels to move the most volume. For now, there is still healthy demand for US product at current price levels, with traders saying China is continuing to buy at a stronger pace than originally expected.

US and Canada producers are pressing for further price increases to domestic contracts in October, with producers seeking increases of between 5-7¢/lb for the month. ExxonMobil this week announced an additional increase of 5¢/lb for November contracts on top of the 5¢/lb October increase. Buyers will protest further increases, following the 5¢/lb increase to September contracts.

Sentiment has turned more bullish in the US/Canada polypropylene (PP) market, as tightening supplies caused by strong export demand and ongoing outages have some producers pushing for margin increases in November.

This week, LyondellBasell and TotalEnergies, announced separate 3¢/lb margin increases for November contracts. For most PP contracts any increase or decrease in PGP contracts is automatically passed along to PP customers. Anything in addition to the feedstock-related increase is considered a margin increase. If implemented, the proposed increases would take back the 3¢/lb of margin producers gave up during the August contract settlement.

Buyers have been surprised by the proposed increases in light of the fact that many buyers have been actively pressing for further margin compression. After the 3¢/lb margin drop in August, producers still have another 3-4¢/lb of extra margin they gained in April contract settlements. Buyers have been pressing for more of that margin to come out as part of 2027 contract negotiations.

Asia-Pacific

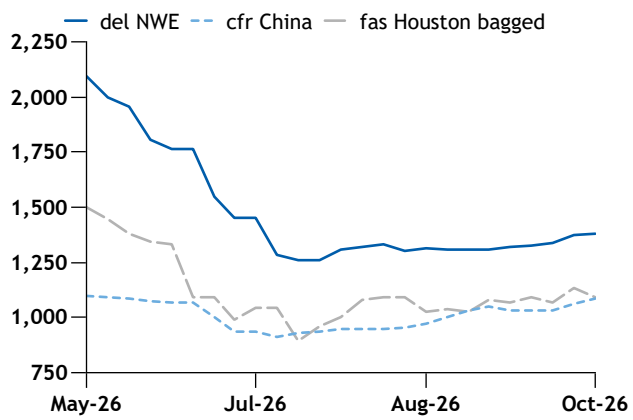
China's polyethylene (PE) prices were elevated this week. Tight spot availability spilled over into the seaborne market, with offers for November loadings remaining firm. Both the dollar-denominated and domestic yuan markets moved higher this week, while low downstream inventories prompted some post-holiday restocking. But buying interest faded as prices rose, with transactions slowing after buyers completed their immediate replenishments.

Chinese polypropylene (PP) prices rose this week as further reduction in domestic output tightened supply, although weaker spot transactions and limited export demand capped buying interest.

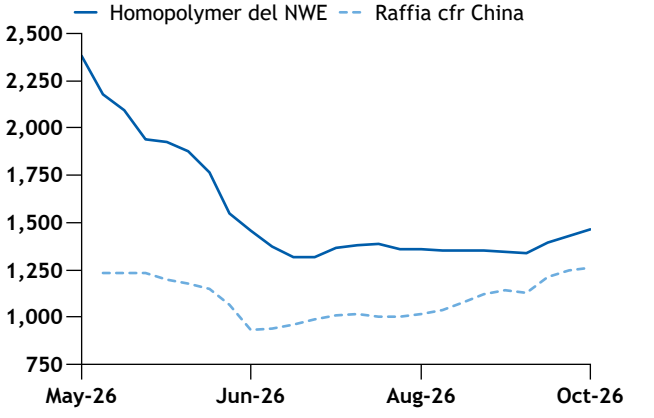
Domestic PP prices continued to rise as supply shortfalls outweighed seasonal demand increases. But overall transactions weakened, particularly among traders, while downstream buyers purchased on a hand-to-mouth basis.

Average domestic PP operating rates fell by one percentage point on the week to 65pc, as additional plant maintenance reduced output.

HDPE spot $/t



Polypropylene spot $/t



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NEWS AND ANALYSIS

continued from p1

is a risk of transitional tonnage leaking into 2027, which would tighten the 2026 market further.

Waste prices start to fall

UK waste bale prices started to fall after the lower PRN threshold was announced, and there have been indications of further downward pressure on prices this week. Prices for 98/2 bales typically react more quickly to PRN price changes as these are more exposed to export markets and have higher bale-to-pellet yields. However, UK prices for PP, HDPE and PET waste bales were all assessed lower last week, after PRN prices fell. Further changes in PRN/PERN values would be expected to influence bale prices in the coming weeks, because the value of recovery notes forms part of buyers' purchasing calculations. But spot material is in short supply at present, because many suppliers pre-sold in expectation of the intervention, not wanting to be caught out on the wrong side of price volatility, market participants say.

NEWS AND ANALYSIS

CRE conference hears calls for more legislative support

Current capacity is less than half of what is needed to meet even conservative estimates of recyclate demand under the PPWR, writes Will Collins

The need for legislative certainty was the key topic for discussion at the recent Chemical Recycling Europe (CRE) forum in Brussels, even though developments have been made in this area this year.

Prices are a barrier to voluntary uptake of chemically recycled polymers and circular feedstocks. Companies placing packaging on the market are already subject to sustainability-driven costs, such as extended producer responsibility (EPR) fees, which squeeze production margins or add costs to final products.

But demand is needed to support growth in the chemical recycling industry and ensure enough material is available to meet the EU's 10pc requirement for contact-sensitive non-PET packaging under the Packaging and Packaging Waste Regulation (PPWR), which is due to begin in 2030. Pyrolysis-based circular polymers are seen as the best supply option for this.

Ramping up existing units to capacity, including those in the commissioning phase, could bring European production up to nearly 180,000 t/yr, according to *Argus* estimates based on a 70pc yield and 100pc operating rates. But current output is much lower than this. By 2028, production capacity could reach around 300,000 t/yr, if plants currently in construction ramp up as planned, *Argus* projects. This would be less than half of the production needed to meet even conservative estimates of recyclate demand under the 10pc recycled content requirement.

Some large-scale projects are working towards final investment decisions, which could make a strong contribution to bringing capacity up to the required level. But time is running out for these to be ready by 2030, as plants typically take 18-24 months from the start of construction to commissioning, and still then need to ramp up to full output. Firm offtake agreements for finished product would likely expedite financial decisions so these projects can start construction.

Rules of play

Industry sees legislative certainty as a necessity to support demand. Developments in this area this year so far include the entry into general application of PPWR and the adoption of mass balance accounting rules within the EU's Single-Use Plastics directive (SUPD) — a separate but associated piece of legislation containing

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NEWS AND ANALYSIS

less wide-ranging recycled content requirements. But work remains to be done. Confirming the penalties companies will face for non-compliance with PPWR, while simultaneously allowing them to begin stocking recycled credits now for use from 2030, would be a starting point towards driving demand, CRE attendees said.

Rules on penalties should be finalised by 12 February 2027, but as they will be administered on a member state-level, rather than EU-wide, firms trying to calculate costs in different localities may encounter challenges.

Another issue highlighted by conference participants is the presence of revision clauses in PPWR and the End-of-life Vehicles Regulation (ELVR). These allow recycled content targets to be delayed or changed until early 2028 if suitable recycling technologies are unavailable at a commercial scale. Given the current gap between supply and expected demand, these clauses may be seen as pragmatic. But they can dissuade investors from backing new plants, and polymer producers and brands from committing to long-term offtake agreements. Market participants would like to see more guidance on if and how they could be used.

There is also debate about whether to push for the EU to adjust mass balance rules for PPWR — compared with what was confirmed in SUPD — to make it easier for existing refineries to process PPO. Some market participants think adjustments could lower barriers to growth in the industry, while others, including CRE, favour largely maintaining the rules laid down in SUPD. Prolonged debate risks delaying recycled content requirements that will not begin until three years after mass balance regulations are finalised.

A positive development is last week's confirmation that Dutch EPR administrator Verpact will update its ecomodulation bonuses for 2027, preserving the existing €200/t ($225/t) bonus for 10pc recycled content in contact-sensitive non-PET packaging while extending further bonuses to companies using higher percentages. That bonuses will only be available in full to firms using recyclates from an approved list of European OECD member countries was welcomed by CRE delegates, and participants would like to see this mirrored by a Europe-first approach in PPWR.

CRE president Valentijn de Neve said prior to the event that building enough capacity to meet the regulation is possible, given the right legislative environment. This echoed remarks by technology provider Plastic Energy chief executive Carlos Monreal in early September.

NEWS AND ANALYSIS

UK recyclers seek policy clarity: Recoup

Discussions at Recoup highlighted growing concern that policy uncertainty is weakening investment across the UK recycling value chain, writes Chloe Kinner

Policy certainty, rather than policy ambition, emerged as the main theme at the Recoup Plastics Assembly in Peterborough on 1 October. Delegates were broadly in support of the UK's circular economy direction but warned that delays, inconsistent implementation and weak investment signals are holding back progress across the plastics recycling sector.

The strongest message from the conference was that the industry needs confidence to invest. Uncertainty surrounding key reforms — including extended producer responsibility (EPR), the deposit return scheme (DRS) and flexible plastics collections — is making it more difficult to commit capital to new recycling capacity, stakeholders said.

Flexible plastics generated particular concern. Collection ambitions are not aligned with available infrastructure and repeated delays and changing timelines have undermined confidence along the supply chain, participants said. Without

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NEWS AND ANALYSIS

a clear and stable framework, more flexible plastics could continue to be sent to energy recovery or exported rather than processed domestically, several speakers cautioned. The UK government has postponed mandatory kerbside collection of flexible plastics in England from 31 March 2027 to 1 April 2030.

The effectiveness of existing producer responsibility mechanisms was also debated. Volatility in the plastic packaging recovery note (PRN) market is creating an unpredictable investment environment, delegates argued. The system is not improving collections or aiding the recycling industry and is therefore failing to achieve its main goal of stimulating additional collection and recycling, delegates said. Many attendees raised concerns about the relationship between PRNs and exports, with some suggesting that high PRN values favour exports over domestic recycling. This raised questions about whether the current framework is directing investment towards long-term UK processing capacity.

At the time of the conference, market participants were awaiting an announcement from the UK Department for Environment, Food and Rural Affairs on measures to mitigate unusually high PRN prices and a shortfall in the issuance of PRNs. On 9 October, the UK Environment Agency issued a regulatory position statement lowering the enforcement threshold for three key packaging materials for the 2026 compliance year.

Discussion around EPR centred on where funds generated by the system should be directed. Attendees generally supported producer responsibility in principle, but many argued that revenue should be ring-fenced for recycling and waste-management infrastructure. Funding currently appears too focused on collection, with insufficient support reaching downstream recycling operations, delegates said.

Investment needs to extend beyond collection and sorting into washing, reprocessing and pelletisation capacity, if the UK is to build a more resilient domestic recycling sector, delegates said. Some positive examples of infrastructure investment were highlighted, including upgrades to sorting facilities, but participants warned that further investment across the chain will be needed to support future recycled polymer demand.

Regulation and reporting

The need for certainty was also made clear in discussions around DRS. Significant investments have been made in reverse vending machines, logistics and supporting infrastructure. But further delays could erode confidence, particularly following setbacks in Scotland. However, reaffirmation that DRS remains on track for implementation in October 2027 was welcomed as a positive signal for the market.

Beyond regulation, delegates emphasised the importance of reliable data. More accurate and harmonised reporting across the sector was seen as essential for effective policy making, infrastructure planning and investment decisions.

Questions were raised about whether existing demand-side measures are strong enough to support growth in recycled polymers. Several participants argued that the Plastic Packaging Tax's 30pc recycled-content threshold has not significantly boosted demand and called for stronger requirements. Compared with the EU, delegates suggested the UK lacks robust recycled-content targets capable of creating long-term demand certainty for recyclers.

Despite these concerns, the overall tone was constructive. The UK's recycling industry is well positioned for growth but clearer policy direction, consistent collection systems and stronger investment incentives will be needed if circular economy ambitions are to translate into sustained market development, delegates said.

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NEWS AND ANALYSIS

Legislation/associations

UK sets minimum obligation, plastic packaging recycling

Packaging producers now only need to meet a minimum of 83pc of their 2026 plastic recycling obligations under UK Extended Producer Responsibility, the Environment Agency said.

The UK Environment Agency (EA) has released a regulatory position statement (RPS) setting minimum percentages for three packaging materials of recycling obligations that must be met by packaging producers in 2026 to comply with UK extended producer responsibility (EPR) obligations for the 2026 compliance year.

The minimum proportion of a producer's recycling obligation is lowest for plastics, at 83pc, while the EA also released minimum proportions for wood and steel at 90pc and 92pc, respectively, and stated that full obligations must continue to be met for other packaging materials.

An announcement from the government had been anticipated by many market participants following rumours that the ministry for environment, food and rural affairs (Defra) held a meeting at the start of September in which a revision of the obligations to purchase Packaging Recovery Notes or Packaging Export Recovery Notes (PRNs/PERNs) was discussed. This came about owing to a shortfall in the generation of PRN/PERNs compared with the expected annual obligation, partly because of stricter requirements placed on recyclers and exporters this year. PRN/PERN prices for plastic have traded at and above £600/t ($794/t) at times this year, a record high.

PRN/PERN prices for plastic had already started to fall in this morning’s trading from an opening price of £575/t to around £500/t. The fall in PRN/PERN prices is likely to affect bale prices, which include a consideration for the value of the PRN/PERN that the buyer expects to generate from the material.

UK recyclers generate one PRN for every tonne of recyclate they produce from domestic packaging waste. Likewise, exporters generate one PERN for every tonne of plastic waste exported to accredited recyclers. Companies placing packaging onto the UK market have an obligation to purchase a certain number of credits each year.

By Anna Fittock, Chloe Kinner and Will Collins

German plastic tax bill faces parliamentary opposition

Germany's proposed plastic tax is facing political opposition, with CDU/CSU parliamentary group chairman Thorsten Frei describing the measure as "not approvable".

The bill would require producers to pay €550/t of plastic manufactured, while providing an unspecified level of relief for recycled plastics.

Frei, chairman of the CDU/CSU parliamentary group in the Bundestag, cited concerns about costs for businesses and the public sector.

The proposal has attracted significant controversy since a draft was released last week

By Munro Waller

Backlash over draft German plastic tax bill

German packaging industry associations have criticised the government's proposed tax on plastic packaging, which would impose a €550/t levy from 1 July 2027, with some exemptions.

A draft bill formulated by the coalition government was received negatively by the German packaging industry, and by the political opposition. The Packaging and Environment Alliance (AVU) and associations from the packaging and fast-moving consumer good (FMCG) industries said the tax would place financial burden on a sector already under strain from existing government fees.

The measure could risk unintended environmental effects, including substitution away from plastic to heavier materials that lead to more emissions during transport, or packaging producers favouring multi-material structures that reduce plastic but harm recyclability, said German Association of Plastics Packaging Manufacturers (IK) general manager Martin Engelmann.

These views were echoed in a letter signed by PlasticsEurope Germany and BDE Federal Association of the Germany Waste, Water and Circular Economy, among others.

The largest political opposition party, AFD, described the policy as a consumption tax.

The bill needs to go through many stages before becoming law, including ministry and cabinet discussions, followed by a parliamentary vote.

The draft also aims to introduce tax relief for packaging containing recycled content, although it gives no details on how this would be arranged or how much relief would be provided. It states that a verification system would need to be established for implementation.

Several countries with plastic-packaging taxes provide relief for using recycled content. In the UK, obligated parties do not have to pay tax if packaging contains at least 30pc recycled content, a rule that will be restricted to post-consumer recycled content from 1 April 2027. Spain's €450/t tax on plastic packaging only applies to the virgin plastic content.

By Munro Waller and Will Collins

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NEWS AND ANALYSIS

EU parliament suggests EPR exemptions for small firms

Only smaller EU firms should be exempt from having to appoint an authorised representative for extended producer responsibility (EPR), according to the European Parliament's environment committee.

In her legal report for the committee, Dutch lawmaker Ingeborg ter Laak said the simplification should be limited to micro and small enterprises selling across EU borders, arguing that medium-sized and large companies are generally better equipped to comply with authorised representative requirements.

The committee's amendments, if ultimately agreed by EU member states, would require larger EU firms and non-EU companies to appoint EPR representatives across the bloc.

The European Commission proposed in December 2025 to suspend the requirement for EU producers selling batteries, packaging, textiles, footwear, electronics and single-use plastics in other member states to appoint an authorised EPR representative until 1 January 2035.

The exemption proposed by ter Laak would apply to EU-based firms with fewer than 250 employees and annual turnover below €50mn ($56mn), or an annual balance-sheet total below €43mn. The amendments also call for a time-limited suspension pending future EU legislation or until 2035.

The texts passed through the environment committee on 5 October without opposition, suggesting a smooth passage when parliament votes on 19-22 October. Approval would pave the way for negotiations with EU member states on a final legal text once they have agreed their common position.

By Dafydd ab Iago

NJ bill targets plastic packaging reduction

A New Jersey state senator has introduced a bill that would require food producers to significantly reduce plastic packaging sold in the state and restrict certain packaging materials and chemicals to reduce waste and potential health risks.

State senator Bob Smith (D-Piscataway) has introduced the Protect Our Health from Plastics Act (SB 4656), which would force companies that make or market packaged products sold in New Jersey under their own brand names to reduce the total weight of covered plastic packaging on a phased schedule.

The bill is one of the most aggressive state-level proposals in the US to cut plastic packaging, shifting focus from recycling and recycled content rules to reducing overall use.

Under the proposal, companies must achieve cuts of 10pc within two years of registration, 20pc within four years, 30pc within six years, 40pc within eight years and 50pc within 10 years, measured against baseline packaging use.

The bill outlines several ways producers could meet the targets, including eliminating unnecessary packaging, expanding reuse and refill systems and substituting plastic with other materials. Reductions could not be met by simply disposing of materials.

The New Jersey Department of Environmental Protection (DEP) could grant a waiver for specific packaging if producers show that the packaging is not intended for food contact and that at least 75pc of it was collected and managed through a reuse or refill system during the previous calendar year.

Producers would be required to register annually with the DEP and report compliance. Fees and penalties would be directed to a proposed Plastics and Toxics Reduction Fund to support program administration, and approved reuse and refill programs, while violations could incur civil penalties of up to $50,000/d.

The bill would also ban the sale or distribution of plastic packaging containing polyfluoroalkyl substances, polyvinyl chloride, polystyrene and polycarbonate.

The proposal comes as New Jersey has postponed its recycled-content mandate for plastic packaging until 2030, delaying an anticipated driver of demand for post-consumer recycled (PCR) plastics. Unlike the recycled-content law, which seeks to increase PCR use in packaging, SB 4656 would focus on reducing the amount of plastic packaging entering the market through source reduction, reuse and refill initiatives.

By Dona Davis

CAA submits final Calif. recycled packaging plan

The Circular Action Alliance (CAA) has submitted its final program plan for California's SB 54 packaging law to the Department of Resources Recycling and Recovery (CalRecycle) for review ahead of the state's 1 January 2027 implementation deadline.

The revised plan submitted on 13 October includes changes to sections covering environmental justice, reimbursement, material management strategies, responsible end markets (REMs), budget development and fee-setting.

The organization also expanded chapters related to program budgets and producer fees, providing additional details on anticipated costs, investment priorities and the methodology for calculating producer contributions to support implementation over time.

The revisions reflect feedback received during a 60-day public comment period that generated more than 24,000 comments from local governments, trade associations, producers and members of the Packaging Producer Responsibility Advisory Board, according to CAA.

The updated plan outlines investments aimed at expanding recycling and reuse infrastructure, including support for rural and underserved communities and entities eligible for reimbursement under the program. CAA also proposed measures to improve transparency and accountability across

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NEWS AND ANALYSIS

recycling supply chains, including greater visibility into the destination of recovered materials and the establishment of consistent standards for REMs.

Additional initiatives are intended to support reductions in plastic packaging and single-use food service ware, improve packaging recyclability and encourage the use of post-consumer recycled content.

California's SB 54 law requires a 10pc reduction in covered plastic packaging by 2027, increasing to 20pc by 2030 and 25pc by 2032. The law also requires all covered packaging to be recyclable or compostable by 2032.

The plan further details how producer funding would be directed toward investments in California's recycling and reuse systems. CalRecycle is reviewing the final program plan and will determine whether it meets state requirements for implementation of the SB 54 program.

By Dona Davis

Mechanical recycling

ADS recycled plastic use falls in fiscal 2026

US pipe producer Advanced Drainage Systems (ADS) reduced its use of recycled plastic in fiscal 2026, with recycled material accounting for 38pc of total resin purchases, down from 46pc a year earlier, according to the company's latest sustainability report.

ADS used 388mn lb of recycled plastic in fiscal 2026, ending last March, down from 501mn lb in fiscal 2025. Recycled high density polyethylene (HDPE) made up 22pc of total resin purchases, recycled polypropylene (PP) accounted for 14pc, and other recycled plastics represented 2pc, according to ADS. Virgin HDPE and PP comprised 57pc of total resin purchases.

The decline stemmed from continued competitive pressure on recycled plastics from lower cost virgin resin. Fiscal 2026 presented challenging conditions for recycled materials, contributing to reduced recycled plastic consumption during the year, according to ADS.

A greater share of ADS' sales came from PP-based HP pipe in fiscal 2026, limiting the volume of recycled material that could be incorporated into those products. The company said performance requirements for the pipe do not allow the use of recycled content.

ADS maintained its goal of using 1bn lb/yr of recycled plastic by fiscal 2032. To support this objective, it continues to expand its recycling operations, including a $30mn project at its Cordele, Georgia, facility expected to boost processing capacity.

The company's recycling network includes more than 500 suppliers and material recovery facilities that provide post consumer and post industrial HDPE and PP feedstocks. ADS is also evaluating additional feedstock opportunities through research and development at its Hilliard, Ohio, technology centre.

ADS highlighted its participation in The Recycling Partnership's Polypropylene Coalition as part of efforts to strengthen domestic recovery of PP and other recyclable plastics.

By Dona Davis

Borouge expands European recycling capacity

Capacity is to be increased at two of Borouge's European recycling plants by the end of 2027, the company said. The rigid polyolefin recycling plant in Niedergebra, Germany and the polyethylene film recycling plant in Wildon, Austria, will both receive new investment.

The investment in Niedergebra will increase its output capacity to around 44,000 t/yr by early 2027, from 40,000 t/yr currently, Borouge said.

The company will add new equipment and carry out debottlenecking work to add 9,000 t/yr of production capacity, while simultaneously taking some older equipment out of service, resulting in the net 4,000 t/yr increase. The plant produces recycled polypropylene (rPP) and recycled mixed polyolefins (rPO) from household waste.

Wildon's output capacity of recycled polyethylene will be increased by 5,000 t/yr in late 2027 to a total capacity of 35,000 t/yr, the company said.

The investment in Niedegebra will enable Borouge to "process more mixed polyolefin waste streams", the company said. Traditional rPO applications, which include decking panels and outdoor furniture, remain important, it said, and the company also hopes to "convert more of this challenging material into valuable recycled products, and keep plastics in circulation for longer".

Borealis said last year that it was taking a carefully-considered attitude to new recycling investments owing to the general economic environment of the sector, and focusing away from major new capital expenditure projects. It shelved plans to construct an advanced mechanical recycling centre in Schwechat, Austria, which was initially due to come online in 2025, and put plans for a pyrolysis chemical recycling plant at Stenungsund on hold.

By Munro Waller and Will Collins

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NEWS IN BRIEF

The Maharashtra government, in partnership with Hindustan Coca-Cola Beverages (HCCB) and the Thane Municipal Corporation, has expanded its Maha r-PET Abhiyaan initiative by opening a PET Collection Centre in Thane to boost the collection and recycling of post-consumer PET bottles.

The programme includes dedicated collection bins, retailer engagement schemes, electric vehicles for collection logistics, and products made from recycled PET to promote circular economy principles. The initiative aims to improve PET recovery rates, strengthen recycling infrastructure, and increase public participation in waste segregation, while creating a more organised supply chain for food-grade recycled PET.

French producer responsibility organisation (PRO) Citeo Pro has announced the fees that will apply to plastic business-to-business packaging from 2027, when the country's new EPR scheme for the sector is scheduled to begin. The fee for plastic packaging will be €281.84/t.

Twiice, another PRO certified within the new EPR scheme, will announce its fees in a webinar on 19 October.

Alberta expanded the second phase of its extended producer responsibility (EPR) program for packaging on 1 October, adding materials including flexible plastics, foam packaging, aerosol containers and glass containers to accepted recycling streams. The expansion is expected to provide recycling access to about 97pc of Albertans and 1.4mn households across 287 communities, according to producer responsibility organization Circular Materials. The move also extends recycling services to additional communities and multifamily residences. The changes are intended to improve recycling consistency across the province and support waste reduction efforts.

Canadian plastic bag manufacturer Polyethics Industries will open its first US manufacturing facility in Antwerp, Ohio, investing more than $41mn in the project and creating 250 jobs over several years. The growing demand from US customers prompted the expansion, which will improve production and delivery capabilities. Prior to the investment, Polyethics' US presence was limited to brokering, selling and purchasing plastic for recycling, the company said. The facility will initially focus on bag converting, with film extrusion and additional manufacturing capabilities planned for later phase.

Argus *Recycled Polymers* is published by Argus Media group

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ISSN: 2753-6629

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