NEWS RELEASE

For Immediate Release

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World Demand for Bioplastics to Exceed 1 Million Metric Tons in 2015

Global demand for biodegradable and bio-based plastics will more than triple to over one million metric tons in 2015, valued at $2.9 billion. Bioplastics have moved past the initial phase of market introduction and are now experiencing robust increases in demand in virtually all parts of the world. Gains will be fueled by a number of factors, including consumer preferences for environmentally sustainable materials, improved performance of bioplastic resins relative to traditional plastics, and the introduction of commodity plastics produced from bio-based sources. Ultimately, however, price considerations will be the primary determinant of bioplastic market success, and it is expected that rising petroleum costs will allow some bioplastic resins to be able to achieve price parity with conventional plastics by the end of the decade. These and other trends are presented in ***World Bioplastics,*** a new study from **The Freedonia Group, Inc.**, a Cleveland-based industry research firm.

Biodegradable plastics accounted for 90 percent of the world bioplastics market in 2010. Excellent growth is forecast for the two leading biodegradable plastics, starch-based resins and polylactic acid (PLA), both of which will more than double in demand through 2015. The fastest gains for biodegradable plastics, however, will be seen for polyhydroxy-alkanoate (PHA) resins, which are just entering the commercial market.

Despite the strong advances for biodegradables, non-biodegradable bio-based resins will be the primary driver of bioplastics demand through 2015 and beyond. Gains will be fueled by the availability of commercial quantities of bio-based polyethylene from Braskem's 200,000-metric-ton-per-year plant in Brazil, which opened in late 2010. Two other bio-based polyethylene plants -- as well as a bio-based

polypropylene facility -- are also in the planning stages and are expected to open around 2015. Additionally, industrial production of fully bio-based polyethylene terephthalate (PET) is forecast to become a reality by the end of the decade. As a result, demand for non-biodegradable bioplastics will rise from 30,000 metric tons in 2010 to 1.3 million metric tons in 2020.

WORLD BIOPLASTICS DEMAND
(thousand metric tons)

Item	2005	2010	2015	% Annual Growth 2005-2010	% Annual Growth 2010-2015
Bioplastics Demand	130	300	1025	18.2	27.9
North America	34	80	242	18.7	24.8
Western Europe	60	125	347	15.8	22.7
Asia/Pacific	33	83	320	20.3	31.0
Other Regions	3	12	116	32.0	57.4

World Bioplastics (published 11/2011, 318 pages) is available for $6100 from The Freedonia Group, Inc., 767 Beta Drive, Cleveland, OH 44143-2326. For further details, please contact Corinne Gangloff by phone 440.684.9600, fax 440.646.0484 or e-mail **pr@freedoniagroup.com**. Information may also be obtained through **www.freedoniagroup.com.**

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