

PI Europe

Plastics Information

Market intelligence that pays off.

- Isocyanates: BASF and Dow raise prices
- REACH: New procedure for reporting SVHCs
- Plastics machinery Germany: Turnover to fall further
- Marine litter: Pollution severely underestimated
- Versalis: Further in the red in second quarter
- Lanxess: Full-year financial guidance reaffirmed
- Vöslauer: Entire PET bottle range made of recycle
- Repsol: Investments in polymers for automotive

POLYMER PRICES

Standard thermoplastics August 2020: Prices follow slight movements of feedstocks / Producers fail to achieve margin improvements due to weak demand / PVC reacts to multiple outages

PE: In August, producers were only able to push through the full ethylene cost increase of EUR 21/t for HD pipe grades and EVA, for which stock levels were generally very low. Suppliers were unable to increase margins due to the slack demand. A general lack of cheap imports burdened European buyers of blow moulding materials. Apart from that, increases reached just about half the additional costs, although in many cases a rollover was agreed. The pure ethylene cost base remained stable at the beginning of the month, so it is probable that August prices will be carried over. The lack of cheaper materials and the North American forces majeure following Hurricane Laura should at least help support prices.

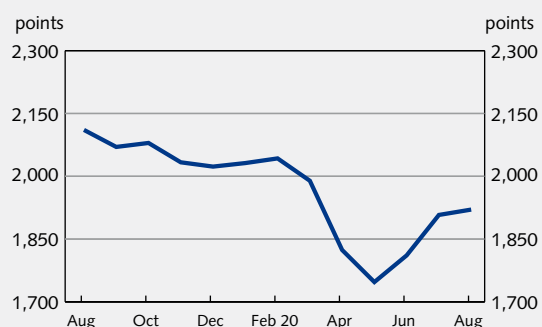
PP: Notations in Europe saw slight gains in August. The increases in the first third followed the monomer's EUR 27.50/t rise in full but became noticeably smaller over the course of the month. For compounds, the minimal uptick in the monomer price was not enough to trigger an index change. For September, PP market players expect no significant change, since the C3 reference rolled over. However, the hurricane-related forces majeure in the US might lead to supply bottlenecks in Europe. In any case, the end of the holiday period should have a positive effect on demand.

PVC: The upward trend in PVC prices continued in August. Suppliers priced in the pro-rata increase in the cost of C2 at the very least. They were also able to introduce slightly higher increases for S-PVC base material and pastes. Demand was quite brisk despite the holiday period. Planned and surprise plant outages in PVC and plasticiser production and a further

increase in demand for construction products are set to exacerbate an already tight supply situation. Against this background, further hikes are on the cards for September.

Styrenics: With only a minimal increase of EUR 4/t for SM, PS and EPS notations hardly moved at all in August. The price changes for ABS were only slightly more pronounced. For EPS, a rollover was agreed almost without exception, PS saw slight price hikes but also some downward adjustments, while ABS recorded slight premiums. Demand for PS and ABS was generally rather slack in August. EPS insulating materials fared somewhat better. For September, most grades are likely to roll over or see minor reductions at best.

European Polymer Price Index Plastixx ST standard thermoplastics



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January 2002 = 1,000 points

Prices Standard Thermoplastics August 2020 (EUR/t)					
Polymer	Range	Change	Supply	Demand	Outlook September 2020
LDPE					
Film	1,235 – 1,260	0	normal	low	C2 rollover, PE +50 calls may well fall victim to demand weakness
Injection moulding	1,195 – 1,230	+5	normal	normal	
LLDPE					
Film (butene C4)	1,120 – 1,160	+5	normal	normal	C2 rollover, PE +50 calls may well fall victim to demand weakness, rollover may be producers' best hope
Film (hexene C6)	1,250 – 1,280	+5	normal	normal	
Film (octene C8)	1,430 – 1,460	0	normal	normal	
Inj. mould. (butene C4)	1,070 – 1,190	0	normal	normal	
HDPE					
Blow moulding	1,180 – 1,260	+15	normal	normal	C2 rollover, PE +50 calls could at least partially succeed if demand picks up in autumn
Blown film	1,190 – 1,240	+10	normal	normal	
Injection moulding	1,265 – 1,390	+10	normal	normal	
Pipe 80	1,250 – 1,290	+20	normal	normal	
Pipe 100	1,260 – 1,330	+22.5	normal	normal	
EVA					
Vinyl acetate <18%	1,540 – 1,610	+25	normal	normal	C2 rollover, stability likely
PP					
Homo injection	1,195 – 1,220	+20	normal	low	C3 rollover, stable producer costs should hold PP prices steady, US tightness may impact Q4 notations, however
Homo film	1,225 – 1,250	+15	normal	low	
Copolymer injection	1,205 – 1,235	+20	normal	low	
Copolymer film	1,265 – 1,295	+10	normal	low	
PVC					
S-PVC base	1,000 – 1,086	+15.5	low	high	C2 rollover, with supply extremely tight PE +50 calls very likely to go through
S-PVC (U) dry blends/comp.	1,320 – 1,440	+10	normal	normal	
S-PVC (P) compounds	1,275 – 1,380	+15	normal	normal	
E-PVC paste	1,325 – 1,565	+12.5	normal	normal	
PS					
General purpose	1,410 – 1,460	-5	normal	low	SM -13, weak rollover likely
High impact injection	1,510 – 1,560	-5	normal	low	
High impact film	1,485 – 1,535	0	normal	normal	
EPS					
Insulation (white)	1,225 – 1,325	0	normal	normal	SM -13, weak rollover likely
Insulation (grey)	1,380 – 1,610	0	normal	normal	
Packaging	1,285 – 1,315	0	normal	low	
PET					
Packaging	920 – 1,020	-5	high	normal	stability likely

Data are without guarantee. Compiled on 31 August 2020. Further details at www.pieweb.com/245404 (PE), /245402 (PP), /245727 (PVC), /245400 (styrenics) and /245406 (PET)

PET: Feedstock prices on the PET market improved only marginally. Demand continued at a rather subdued level, even though hot weather triggered a slight revival in the beverage sector. Imports from Asia became more attractive in price terms, and European suppliers had to concede a few euros for

freely negotiated monthly purchases. Large deals essentially remained stable while spot notations fell slightly. No clear impetus for change is on the horizon for September.

■ Full reports at www.pieweb.com/245404 (PE), /245402 (PP), /245727 (PVC), /245400 (styrenics) and /245406 (PET)

Prices Base Petrochemicals and Aromatics August/September 2020 (EUR/t)										
Products	Contract			Spot Week 32 - 35			Supply		Demand	Polymers
	Period	Ø	Change	Ø from	Ø to	Volatility	Aug	Trend	Aug	
Ethylene (C2)	Sep	785	0	572	589	6	low	low	low	PE, PVC
Propylene (C3)	Sep	732.5	0	715	735	12	low	low	low	PP
Styrene (SM)	Sep	754	-13	556	573	3	low	low	low	PS, EPS, ABS
Paraxylene (PX)	Aug	516.25	-3.75	393	410	9	low	low	low	PET
Benzene	Sep	366	-9	366	383	9	low	low	low	PS, ABS, PC, PA
Naphtha	-	-	-	322	339	7	normal	normal	normal	
Crude oil (Opec)	-	-	-	280	280	1	normal	normal	normal	

■ For exclusive data and charts, visit www.pieweb.com/petrochemicals

POLYMER PRICES

Engineering thermoplastics August 2020: Polycarbonate prices freeze / Glass fibre-reinforced polyamides down / Longer-term agreements stabilise PBT business / PMMA price will follow increase in cost of MMA

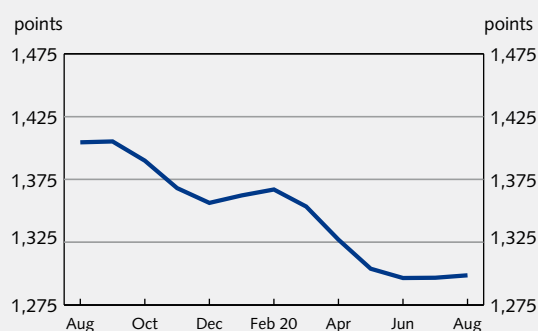
August was unspectacular for the engineering thermoplastics. PC prices, for example, did not budge from last month's level. Many plants were still operating at reduced capacity, but producers easily satisfied the low demand. Should demand increase further at the end of the holiday season, they might be successful in pushing through higher prices, though existing quarterly contracts will hinder these endeavours.

The situation with the polyamides is very similar, with converters of glass fibre-reinforced types even benefitting from prices falling at least by EUR 50/t. Despite increased notations for the feedstocks, producers were unable to do anything about it. Supply should be balanced, with higher demand after the holiday season decreasing stocks and production output still reduced.

In the heavily regulated PBT business, longer-term agreements have meanwhile had a stabilising effect. Producers have not had any success passing on the higher feedstock costs to their customers. There are no indications here of any changes in sales volumes.

While demand is expected to pick up in September, prices are unlikely to increase. This could, however, change in Q4.

■ Full report available at www.pieweb.com/245408

European Polymer Price Index Plastixx TT engineering thermoplastics

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January 2002 = 1,000 points

Prices Engineering Thermoplastics August 2020 (EUR/t)

Polymer	Range	Change	Supply	Demand	Outlook September 2020
ABS					
Inj. moulding	1,940 – 2,020	+20	low	low	SM –13, butadiene +25, rollover for extrusion grades likely, in tight market minor price hikes for injection moulding material possible
Extrusion	1,890 – 2,080	+15	normal	low	
Coloured	2,445 – 2,615	+10	normal	low	
PC					
Transparent	3,010 – 3,280	0	normal	low	Q3 contracts with mostly stabilising influence, phenol price rise could impact PC
GF	4,200 – 4,420	0	normal	low	
PC/ABS					
Blends	3,080 – 3,240	0	low	low	stable, slight upswing for PC could create upward pressure
PA 6					
Natural	2,510 – 3,140	0	normal	low	Q3 contracts initially with stabilising influence, PA may rise if producers' price hike plans go through
Black	2,390 – 2,895	0	normal	low	
GF	2,760 – 3,200	-50	high	low	
PA 6.6					
Natural	4,360 – 4,710	0	normal	low	Q3 contracts initially with stabilising influence, PA may rise if producers' price hike plans go through
GF	4,550 – 4,790	0	normal	low	
Auto GF 30	3,370 – 3,800	-50	normal	low	
PBT					
Natural/black	3,915 – 4,075	0	normal	low	Q3 contracts initially with stabilising influence, hikes could follow, depending on actual cost rise
GF	4,085 – 4,465	0	normal	low	
POM					
Natural	2,640 – 3,030	-25	high	low	stability likely
GF	3,520 – 3,800	0	normal	low	
PMMA					
Transparent	3,100 – 3,390	0	normal	low	MMA upswing will have increasing influence on PMMA prices
PP Compounds					
TF 20 light colours	1,590 – 1,780	0	normal	low	C3 rollover assures stability in Q3, thereafter US hurricane related outages could impact compound notations
TF 20 dark/black	1,390 – 1,650	0	normal	low	
GF ₂ 30	1,690 – 1,950	0	normal	low	

Data are without guarantee. Compiled on 31 August 2020. Further details at www.pieweb.com/245408, /245402 (PP compounds) and /245400 (ABS)

SPOTLIGHT ON 3D PRINTING

BASF: Purchase of Owens Corning's "Xstrand"

Forward AM, part of **BASF 3D Printing Solutions** (B3DPS, Heidelberg / Germany), has bought **Owens Corning's** (Toledo, Ohio / USA) "Xstrand" line of glass-fibre reinforced filaments for an undisclosed sum. The acquisition includes the brand and key intellectual property but not personnel. "Xstrand" filaments are made of PA 6, PP or PC and contain 30% glass fibres. Forward AM said the filaments are particularly suitable for automotive and household appliance applications.

Victrex: New PAEK filament for 3D printing

UK high-performance polymers producer **Victrex** (Thornton-Cleveleys) has launched "Victrex AM 200", a PAEK filament specifically developed and optimised for additive manufacturing. The company named 3D printing equipment manufacturer **Intamsys** (Shanghai / China) as its first distribution partner. Victrex AM 200 filament is designed for demanding additive manufacturing applications with high wear-, temperature-, fatigue- or corrosion-resistance requirements.

4D Medicine: Liquid resin speeds up tissue regrowth

A UK start-up formed by the **University of Warwick** and the **University of Birmingham** has landed funding worth nearly GBP 500,000 (around EUR 553,000) to commercialise a new liquid resin which is expected to speed up recovery times for patients undergoing major medical procedures. **4D Medicine** will look to roll out the new PC-based resins, which can be printed into solid 3D scaffolds and aid the regrowth of healthy tissue following surgery.

Mitsubishi Chemical: Partnership on PBT powder

Japanese chemicals and plastics group **Mitsubishi Chemical** (Tokyo) announced it will work with German start-up **AM Polymers** (Willich). The companies aim to develop and distribute PBT powder for industrial 3D printing in sectors such as aerospace and automotive. A beta version of "Rolaserit PBT01" powder will soon be introduced for evaluation by the partners' European customers. The new material has lower moisture absorption compared to PA 12, currently the preferred material for SLS and PBF processes.

DSM: Glass-filled PP optimised for 3D printing

Engineering plastics specialist **DSM** (Heerlen / The Netherlands) has launched "Arnilene AM6001 GF", a glass-filled PP pellet material developed for demanding structural and lightweight applications using fused granulate fabrication 3D printing technology. The company said the characteristics of the PP base material are preserved throughout the modification. The new product is suitable for automotive, industrial and infrastructure manufacturers looking to utilise PP in their additive manufacturing processes for low volume or decentralised production.

Daily news at www.pieweb.com

PLASTICS MACHINERY GERMANY

Turnover expected to fall by up to 30% in 2020

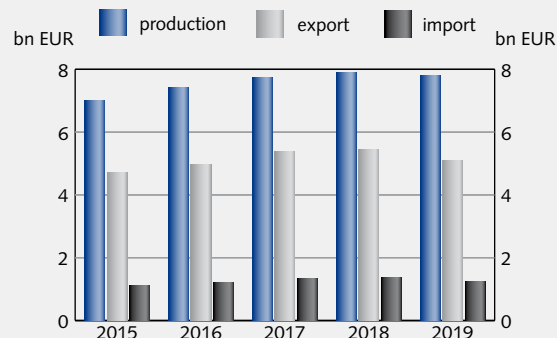
The weakness in the plastics processing industry was taking its toll on Germany's plastics and rubber machinery manufacturers well before Covid-19. As expected, 2019 sales declined 6%, which ended 11 consecutive years of increasing turnover. Pointing out the two main causes of the issue, *Ulrich Reifenhäuser*, chairman of the **VDMA Kunststoff- und Gummi-maschinen** (KuG, Frankfurt / Germany), said, "In many key customer industries, in particular the automotive industry, companies have been holding back on investment, and this has been reflected for some time now in the order books. Apart from that, plastic currently has an image problem." And then in 2020 came the coronavirus pandemic. According to the VDMA, orders fell another 20% in the first half of 2020 versus the year-earlier period.

Surprisingly, almost 80% of plastics and rubber machinery manufacturers said they expect sales to return to 2019 levels by 2022 at the latest. This also corresponds to the results of the latest survey by **PIE's** sister publication **Kunststoff Information**, in which 54% of machinery manufacturers predicted an improvement in business in H2 2020. This optimism is based among other things on a revival in incoming orders from Western Europe and China.

The big question is: Have we already seen the first signs of a turnaround? According to the German business daily *Handelsblatt*, June's 27.9% increase in German factory orders was not only the largest rise ever but also close to triple the growth expectations of economists. Even if Germany is officially in a recession after three consecutive quarters of economic contraction, some of the mid-year data looks like the much heralded V-shaped curve. At least with regard to incoming orders, the industry could well have made up for a large amount of the coronavirus-related collapse.

However, the coronavirus pandemic continues to spread uncertainty. After all, the risk of a second infection wave still exists. Although the plastics industry considers itself well-prepared, postponements of capital expenditures are increasing. In addition, the automotive outlook is dim, and the China-US trade relations remain tense. The recent plastics tax has exacerbated the situation. It is not surprising that the majority of manufacturers of plastics and rubber machinery say they expect sales to decline by up to 30% in 2020.

■ Full report available at www.pieweb.com/245690

Plastics Machinery Germany: Production and Trade 2015 - 2019, core machinery

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Source: VDMA

ISOCYANATES MARKETS

BASF and Dow raise prices in North America

With effect from 31 August and 1 September, respectively, **BASF** (Ludwigshafen / Germany) and **Dow** (Midland, Michigan / USA) announced price hikes for MDI in North America. Because of the current bottlenecks with the PU feedstocks these increases could easily also spill over to Europe. BASF announced increases of EUR 220/t for all of its "Lupranate" MDI grades, following this up a few days later with a hike of EUR 130/t for TDI products. Dow did not add to the previously announced price rise for its "Isonate" brand equivalent to just under EUR 90/t. A disruption at BASF's US TDI facility in Geismar is still ongoing with force majeure for TDI and TDI formulations in effect. The company on 1 September 2020 also declared FM for deliveries of its Lupranate brand TDI "T80" from the Ludwigshafen headquarters site due to technical problems.

Sadara anticipates reduced production at Al Jubail

Sadara Chemical (Jubail / Saudi Arabia) is evidently reckoning on reduced chlorine supplies for its TDI production until the end of Q4 2020. According to local media reports, this joint venture between **Dow** and **Saudi Aramco** also expects a "significant" cutback in production at the 200,000 t/y plant. This is likely to further exacerbate the present limited supply of the isocyanate. As a result, the European TDI contract recently rose by EUR 210/t. The main reason for the limited supply is the bleak economic outlook for chlorine by-product caustic soda, the price of which is presently at rock-bottom. In the meantime, numerous facilities in this segment are being operated with reduced output. In its PU production, Sadara has, in addition to TDI, capacities for 400,000 t/y of MDI and 390,000 t/y of polyether polyol.

The consequences of the Covid-19 pandemic are also severely affecting the USD 20 bn (just under EUR 17 bn) joint project, and the pressure on margins is considerable. In 2020, Dow will probably need to inject USD 500m to service the debts.

Daily news at www.pieweb.com

REPSOL

Investments in polymers for automotive industry

Repsol (Madrid / Spain) has installed a new reactor for a polypropylene plant at its Spanish industrial complex in Tarragona, part of an investment to improve its manufacturing facilities for a new range of polymers that cuts a vehicle's weight. The investment shows Repsol's commitment to the automotive sector even in difficult times. This gas-phase reactor is Repsol's second for the production of high-impact resistance polypropylene (HIPP).

The company can thus expand its offer of very high impact polypropylene grades for applications such as door panels, instrument panels, bumpers, technical and safety parts, batteries, consoles and pillars, among others. Other applications include toys, luggages, chairs, rigid packaging, boxes, cubes or corrugated cardboard.

VERSALIS

Chemicals segment of Eni slips further into the red / Cracker shutdowns / Parent company with new strategy

The Covid-19 pandemic has pushed polymer producer **Versalis** (Milan / Italy) further into the red in the second quarter of 2020. The chemicals division of **Eni** reported an operating loss of EUR 66m (loss of EUR 28m in the same period of the previous year).

The superordinate division Refining & Marketing as well as the Chemicals unit only avoided red figures because of the improved performance in the refinery segment. At the same time, Versalis revenues declined by 41% to EUR 635m. The reasons for the weak figures are the struggling car industry and the virus pandemic. As a result, the sales volume of 1.02m t was almost 10% below Q2 2019, although polymers performed significantly better than preliminary and intermediate products. This was mainly due to longer maintenance shutdowns at the crackers in Priolo and Brindisi, which also depressed average capacity utilisation of all plants by 9 percentage points to 60%. The overall negative development was only partially offset by an increased demand for polymers from the packaging sector and the recovery of the collapsed polymer prices.

LANXESS

Full-year financial guidance reaffirmed

Lanxess (Cologne / Germany) still sees EBITDA excluding one-offs at EUR 800-900m for 2020 after the second-quarter core profit met its target, giving the chemicals group the confidence it can weather the crisis this year. The company in May revised its previous EUR 900-1,000m earnings forecast for 2020 downward. The April-June EBITDA excluding one-offs fell 20.3% to EUR 224m. Sales dropped 16.7% to EUR 1.4 bn. Net income from continuing operations rose significantly from EUR 96m to EUR 803m, flattered by gains from the sale of its stake in **Currenta**.

Sales at the Engineering Materials segment tumbled 33.2% to EUR 244m, largely due to the automotive industry slump as a result of the pandemic. EBITDA excluding one-offs fell 56.9% to EUR 28m. Covid-19 also led to a notable decline in sales volumes at the Specialty Additives segment. Revenues here contracted by one-fifth to EUR 403m.

VENATOR

Huntsman sells all remaining shares in TiO₂ producer

Investment company **SK Capital Partners** (New York, New York / USA) says it plans to take over the remaining shares in **Venator** (Stockton-on-Tees / UK) that are currently still held by **Huntsman** (The Woodlands, Texas / USA). Since the sale of 4% of the share package to **Bank of America** in 2018, Huntsman has still held approximately 49% of the titanium dioxide manufacturer's shares. The transaction is expected to be completed by the end of the year.

Huntsman will initially part with 39.8% of the shares for around USD 100m. SK will also receive a 30-month option to buy most of the remaining 9% for a little over USD 20m. CEO *Peter Huntsman* said the company intends to use the proceeds for additional financial flexibility and further growth.

MARINE LITTER

Microplastics in all seafoods tested / Ten times more plastics waste in Atlantic than estimated

Two new studies have revealed the scale of plastics marine pollution. In research conducted across the Atlantic Ocean from the UK to the Falkland Islands, scientists from the **National Oceanography Centre** (NOC, Southampton / UK) estimate there is 10 times more plastics waste in the marine environment than previously thought. In a paper entitled “High concentrations of plastic hidden beneath the surface of the Atlantic Ocean”, researchers suggested the mass of “invisible” microplastics found in the upper waters of the Atlantic Ocean ranges between 12-21m t.

However, this figure falls far short of what the report’s authors say is the true figure for the total amount to be found in the ocean. According to co-author *Richard Lampitt*, “If we assume that the concentration of microplastics we measured at around 200 metres deep is representative of that in the water mass to the seafloor below with an average depth of about 3,000 metres, then the Atlantic Ocean might hold about 200 million tonnes of plastic litter in this limited polymer type and size category.” It had been estimated that 17m t of plastics waste have entered the Atlantic since 1955.

Researchers find plastics in all samples of seafood

In another study focusing on selected plastics in high-commercial-value Australian seafood, researchers found plastics in oysters, prawns, squid, crabs and sardines bought from a

SPOTLIGHT ON OCEAN PLASTICS

International action needed for marine pollution

Researchers from **The PEW Charitable Trusts** (Philadelphia, Pennsylvania / USA) and **Systemiq** (London / UK) have published a study on the severity of ocean plastics pollution. The report proposes a multi-solution model for the international community that promises a reduction at over 80% of plastics entering the oceans, a 25% reduction in greenhouse gas emissions, global savings of USD 200 bn per year and the creation of 700,000 jobs by 2040.

The researchers estimate that 11m t of plastics waste enter the oceans every year, joining the approximately 150m t already there. Without immediate and sustained action, that amount is expected to rise to 29m t/y, equivalent to dumping around 40 kg of plastics on every inch of coastline in the world. Currently 40% of 91m t of global plastics waste is mismanaged, the report says.

“The problem starts long before plastic reaches the oceans, rivers and beaches, and so must the solutions. We must eliminate the plastic we do not need, invest at least USD 150 bn in collection and reprocessing over the next five years to ensure all plastics are reusable, recyclable or compostable, innovate at unprecedented speed and scale and call on businesses and governments to unite behind a plastics circular economy,” according to the report.

■ Full report available at www.pieweb.com/245631

Daily news at www.pieweb.com

market in Australia. These were subsequently analysed using a newly developed method that identifies and measures five different types of plastics simultaneously.

The study – by the **University of Exeter** (Exeter / UK) and the **University of Queensland** (Brisbane / Australia) – found plastics levels of 0.04 mg per gram of tissue in squid, 0.07 mg in prawns, 0.1 mg in oysters, 0.3 mg in crabs and 2.9 mg in sardines. Lead author of the report, *Francisca Ribiero*, said, “Considering an average serving, a seafood eater could be exposed to approximately 0.7 mg of plastic when ingesting an average serving of oysters or squid, and up to 30 mg of plastic, equivalent in weight to a grain of rice, when eating sardines, respectively.” Co-author *Tamara Galloway*, of Exeter’s Global Systems Institute, added, “We do not fully understand the risks to human health of ingesting plastic, but this new method will make it easier for us to find out.”

The researchers bought raw seafood and analysed it for the five different kinds of polymers that can be identified by using chemicals to dissolve plastics present in the samples’ edible tissues. The materials found, commonly used in plastic packaging or synthetic textiles, were PS, PE, PP, PVC and PMMA.

■ Full report available at www.pieweb.com/245781

MARINE WASTE

New studies on microplastics pollution in the Thames

The Thames river in London / UK is potentially dumping large quantities of microplastics into the North Sea, according to new research published in the journal *Science of The Total Environment*. Studies by post-graduate student *Katherine Rowley* of **Royal Holloway, University of London** (Egham / UK), found that at peak ebb tides, around 94,000 pieces of microplastics flow down the Thames every second.

Microplastics are less than 5 mm in length. They come from a variety of consumer goods, including clothes and personal products, and make their way into rivers, waterways and oceans via domestic drainage systems and littering. Once in the marine environment, they pose problems for marine life, with fish and other animals ingesting the material as part of their diet.

Rowley recorded many forms of microplastics in the Thames, ranging from glitter and microbeads to plastic fragments. Her study found that 93.5% of microplastics in the water column were most likely formed from the fragmentation of larger plastic items, with food packaging thought to be a significant source for the material found.

“Our study provides baseline data for microplastic contamination in the River Thames water column. Globally, in comparison to published estimates of microplastic contamination in marine and freshwater environments, the River Thames contains very high levels of this pollutant, potentially a major input to the North Sea,” Rowley said.

Other Royal Holloway research suggested that while fibres from washing machine outflows – and possibly from sewage outfalls – were most commonly ingested by wildlife, it was fragments from the breakup of larger plastics, such as packaging items, that were most abundant in the water. While pollution from trace metals was once a major problem for the river, this is now on the decline, and the leading issue is now the contamination of the Thames by plastics.

■ Full report available at www.pieweb.com/245581

PLASTICS AND ENVIRONMENT

Carbon impact of plastics less than other packaging

An analysis of different types of packaging over their life time suggests that plastics offer the lowest carbon emissions of available materials, provided they are recycled properly, according to researchers at **Imperial College London** (London / UK). In a study titled “Examining Material Evidence – The Carbon Fingerprint” and commissioned by waste management group **Veolia** (Paris / France), researchers analysed more than 70 life-cycle assessments (LCAs) to determine the environmental impacts of packaging materials, including the effects of mining, manufacturing, logistics, usage and end-of-life management covering recycling or disposal.

The study is said to effectively debunk “the growing movement to switch away from plastic in all scenarios.” Only 2% of British people consider plastics to contribute the least greenhouse gases to the environment from its production, use and post-use treatment versus other materials used in packaging. But looking at the numbers, plastics are the least impactful, says the report.

When considering the production of the main alternatives to plastics for a 500 ml bottle, other types of material (fibre, glass, steel and aluminium) result in the emission of more greenhouse gases than plastic bottle manufacturing, with glass bottles being the highest emitter overall. For example, if all plastic bottles used globally were made from glass instead, the additional CO₂ emissions would be equivalent to the output of nearly 22 large coal-fired power plants which is the amount of electricity consumed by a third of the UK. However, there are cases where the converse is true, for example local supply chains for milk can mean that glass bottles make better sense in terms of CO₂ emissions, the report adds.

■ Full report available at www.pieweb.com/245616

PLASTICS RECYCLING GERMANY

Sustainability goals still high on the agenda

In a flash survey of member companies, the German association for plastic packaging and films **IK** (Bad Homburg) has determined the current demand for recycled plastics. Both the coronavirus pandemic-related decline in production and the sharp drop in plastics prices during the crisis are having a negative impact. However, the survey has now revealed that even during the coronavirus crisis, plastic packaging manufacturers and their customers largely remain committed to sustainability targets. Almost two thirds of plastic packaging manufacturers surveyed stated that consumption of recycled materials was virtually unchanged. For the remaining companies, the decline in demand is generally between 10% and 50%. Of these companies, more than 70% claim to be affected by declining sales. Only 28% of the companies using less recycled material said that the lower price of virgin material was the decisive factor.

Isabell Schmidt, managing director of the circular economy department at IK, said the fact that “most customers, especially in the consumer goods sector, are sticking to their targets for the use of recycled materials even in times of crisis” shows that circular economy is firmly embedded in the strategy of these companies.

■ Full report available at www.pieweb.com/245701

SPOTLIGHT ON PLASTIC PACKAGING

ePac Flexible Packaging: New facilities in Europe

US-based company **ePac Flexible Packaging** (Madison, Wisconsin) has added production in France and Poland. France’s Bourgoin Jallieu facility near Lyon opened in early August 2020 and delivers digitally printed roll stock and pouches in Europe in 10-15 working days after print templates approval. The Wrocław facility should be online soon; ePac provided no information on investments or capacities.

Logoplaste: Carlyle considers sale of stake

Rigid packaging manufacturer **Logoplaste** (Cascais / Portugal) has taken further steps toward international growth. CEO *Gerardo Chiaia* hired consulting firm **Bain & Company** to conduct a strategic assessment about a possible restructuring. **The Carlyle Group** (Washington, D.C. / USA) owns 60% of Logoplaste, with the remaining shares held by *Filipe de Botton* and *Alexandre Relvas*. Carlyle told **PIE** that options under consideration include a sale of the stake, which market analysts value at USD 1.2 bn (EUR 1 bn). The purchase price four years ago was reportedly EUR 660m.

Sirap-Gema: Italian plant shutdown planned

Italian packaging producer **Sirap-Gema** (Verolanuova) plans to shutter its San Vito al Tagliamento plant in Pordenone / Italy by year’s end and transfer operations to its Verolanuova headquarters. Owned by investment group **Italmobiliare Holding** (Milan / Italy), the company operates 11 facilities in Europe. It provided no reason for the closure and said the site’s 40 some employees can work at the new location.

Huhtamaki: Recycled laminates for flexible tubes

Finnish packaging giant **Huhtamaki** (Espoo) is now using recycled plastics in the standard plastic barrier laminates for its flexible tubes. Nearly 20% of the tubes are now “Mersalen” PE, a recyclate from **APK** (Merseburg / Germany). Huhtamaki said it plans to raise that amount and test recyclates from other feedstocks. Mersalen’s performance closely matches standard-referenced plastic barrier laminate structures from virgin LDPE. rLDPE made entirely of post-consumer waste but suitable for food and cosmetic packaging is still unavailable in Europe.

Vöslauer: Entire PET bottle range made of recyclate

Austrian mineral water bottler and rPET pioneer **Vöslauer Mineralwasser** (Bad Vöslau) says it has increased the recyclate content in its PET bottles to 100%. The company also met its second sustainability goal with corporate carbon neutrality in February. “One main challenge was to have sufficient material of good quality available – and in the long term too,” Managing director *Birgit Aichinger* told **PIE** in an interview. Vöslauer runs the only PET recycling plant in the Austrian beverage industry.

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REACH

EU reporting procedure for SVHCs changes in 2021

Manufacturers of plastics and other industrial materials in the EU are preparing to meet new reporting challenges under the European chemicals legislation REACH. Starting next year, suppliers are required to update their dossiers in a shorter time frame and comply with new disclosure rules for substances of very high concern (SVHC). With effect from 5 January 2021, products that currently require declarations as a SVHC must be registered as such in the SCIP database established under the Waste Framework Directive (WFD) and maintained by the **European Chemicals Agency** (ECHA, Helsinki / Finland). Companies will also have the option to register products that do not contain SVHCs.

The registration procedure, which is designed to ensure transparent information on products containing hazardous chemicals throughout their entire lifecycle, will be the same for all products and will require disclosure of general information about the manufacturer and the product, such as a code. SVHCs with a concentration range of above 0.1% weight by weight in an article or product must also be disclosed, along with any safety information applicable for workers, consumers, waste treatment plants or recyclers.

Of the 209 substances currently on the candidate list of SVHCs requiring authorisation for use, ECHA said a large majority are carcinogenic, mutagenic or toxic for reproduction. Many of them, including DEHP, used in injection moulding of plastics and in flame retardants for automobile seat upholstery or housing of electrical appliances, are said to have several hazardous properties. In a pilot enforcement project last year, ECHA found that 12% of the products it tested, for which their suppliers did not provide all the required information, contained SVHCs above 0.1%.

Complying with the ECHA requirements may present challenges for plastics companies, especially as the SCIP database will not be available until October, said Markus Engel, project manager at German consultants **IMDS Professional** (Weilrod). However, he noted that ECHA has established a harmonised IUCLID format prototype for preparing SCIP notifications, which can be found on its dedicated SCIP format web page. This software can call up data already registered in REACH dossiers to help companies prepare their paperwork.

PLASTICS RECYCLING USA

Alliance to create circular economy / North American platform of Ellen MacArthur's global "Plastics Pact"

The "U.S. Plastics Pact" is a new alliance pledged to working collectively toward a common vision of a circular economy for plastics in the US. Members include US-based plastic packaging producers, recyclers, waste management companies, brands, retailers, NGOs and other stakeholders. The alliance is the North American platform of the **Ellen MacArthur Foundation's** (EMF, Cowes / UK) global "Plastics Pact" network. Members of the organisation are expected to collaborate by following steps outlined in the "New Plastics Economy Initiative" developed by the UK foundation. The new alliance will be led by **The Recycling Partnership** (Falls Church, Virginia / USA) and supported by **WWF**. More than 60 entities have joined the US group as "activators" who agree to collectively help meet the four targets set forth by the Plastics Pact network: to take measures to eliminate problematic or unnecessary plastic packaging; to design all plastic packaging to be reusable, recyclable or compostable; to recycle or compost 50% of all plastic packaging; and to increase the average recycled or bio-based content in plastic packaging to at least 30%.

The **Institute of Scrap Recycling Industries** (ISRI, Washington, D.C. / USA) as a founding activator will promote the essential role recyclers play in achieving a circular economy for plastics, said *Adina Renee Adler*, ISRI vice president of advocacy. In addition to joining the alliance, ISRI announced a new policy on minimum recycled plastics content. The policy supports legislation expanding the use of recycled plastics in appropriate applications as well as manufacturers that incorporate ISRI's "Design for Recycling" principles and look to increase recycled content in their products.

In March 2020, the "European Plastics Pact" was launched in Brussels / Belgium, under heavy criticism by European plastics converters association **EuPC**. Countries now part of the global platform include Portugal, France, The Netherlands and the UK, where more than 60 firms signed the "UK Plastics Pact" led by **Wrap** (Banbury / UK) in 2018.



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