

'Global Bio-based Biodegradable Plastics Market to grow rapidly'

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Future Market Insights (FMI), in its latest report states that the global bio-based biodegradable plastics market is expected to demonstrate a double-digit Compounded Annual Growth Rate (CAGR) during forecast period 2014-2020.

Global penetration of biodegradable and bio-based biodegradable plastics is currently significantly lower in comparison to traditional fossil fuel-based plastics. Of the 300 million metric tonnes of plastics consumed in 2013, biodegradable plastics accounted for 0.21 percent of the total consumption. The total consumption of bio-based biodegradable plastics was 591,000 metric tonnes in 2013, accounting for 0.1 percent share of the total global plastics consumption.

"Consumption of bio-based biodegradable plastics is substantially low compared to fossil fuel-based plastics, but this is expected to grow rapidly over the next five years. By 2020, the total revenue of the global bio-based biodegradable plastics market is expected to grow two and half times as compared to 2014," said Mr Essien Jae, lead consultant at FMI.

Europe leads the global bio-based biodegradable plastics market, followed by North America.

The market in Latin America is expected to demonstrate the highest growth rate at a CAGR of 22.6 percent, followed by Asia Pacific at a CAGR of 20.7 percent in terms of value. The cumulative market share of Latin America and Asia Pacific is anticipated to improve by around 400 basis points by the end of the forecast period.

In terms of application, the packaging sector accounts for the largest share of the global bio-based biodegradable plastics market and is largely driven by Europe. Other key application sectors include fibres, agriculture and medical.