News Release Archive

S&P Global Platts to Assess Prices for Food-Grade Recycled PET Packaging Pellets

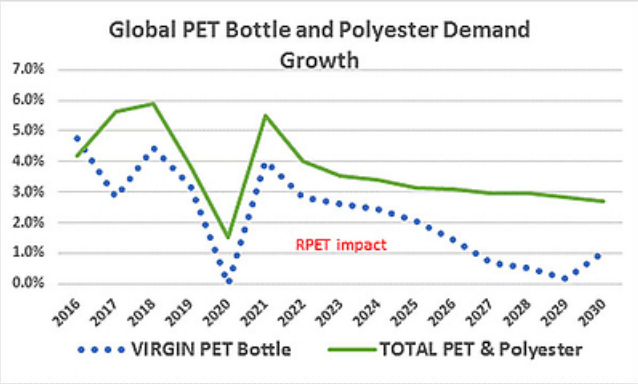
Now Allows Price Transparency Across the PET Plastic Bottle Value Chain in the U.S.
-Comes Amid Upped Market Demand for Recycled Plastics & Follows on Virgin PET, Recycled PET Prices-

HOUSTON, N.Y., Nov. 16, 2020 /PRNewswire/ -- S&P Global Platts, the leading independent provider of information and benchmark prices for the commodities and energy markets, today announced the launch of first-to-market, new daily spot price assessments for recycled polyethylene terephthalate (PET) food-grade pellets in Los Angeles, California. This follows on the earlier-year announcements of Platts publishing US post-consumer PET bottle bales as of April 1, 2020 and the July 1, 2020 launch of recycled PET clear flakes in Los Angeles. Platts now offers price assessments covering the entire PET chain, from virgin PET assessments on the US West Coast (USWC) through all stages of the PET recycling chain, as part of its larger coverage of energy transition under the environment and social governance (ESG) umbrella.

California is the first US state to require PET beverage containers to use a set amount of recycled plastic, under Assembly Bill 793, signed on September 24, 2020. As of January 1, 2022, bottles will have to be made of at least 15% recycled PET. This rises to 50% in 2030.

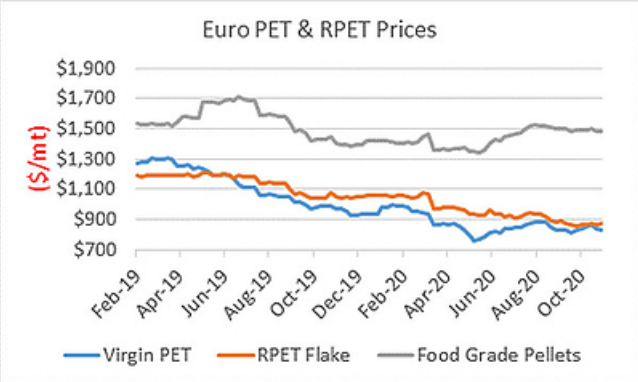
Ben Brooks, Head of Plastics Recycling Price Reporting, S&P Global Platts said:"Amid upcoming legislation requiring companies to increase their use of recycled PET in California, there is demand for price perspectives across the entire PET value chain, so that market participants can understand the relationships between recycled and virgin PET. S&P Global Platts can now offer transparency across the entire value chain through its suite of price assessments."

Presently, the recycled plastic markets are nascent markets characterised by a lack of standardisation, given that recycled plastic is derived from waste. The latest addition to the S&P Global Platts suite of recycled PET price assessments, combined with pre-existing price assessments of virgin PET, brings crucial market insight and never-before-available transparency, based on Platts' deep experience building independent and robust assessment methodologies, that better enables recycled plastics' evolution into tradable commodities.



Proposed US legislation (Break Free From Plastic Pollution Act of 2020), unveiled in February 2020, aims to create a nation-wide container-deposit system whereby producers will be required to fund waste and recycling systems through an Extended Producer Responsibility Program. The Act proposes incremental increases in the minimum recycled content in food-service products to 25% by 2025 (which broadly matches European standard).

European food-grade recycled PET (RPET) pellet prices have averaged$500 per metric ton (/mt) over virgin PET prices since 2019. The demand for food-grade RPET will increase worldwide as brand owners commit to higher recycled content in their products.



The daily assessments will reflect price information for the greater Los Angeles, California on a free-on-board (FOB) basis, as gathered and published through Platts price assessment process, closing 4:00 pm CST.

FOB Los Angeles prices will value clear R-PET pellets loading 3-30 days forward from the date of publication. The assessment will reflect spot transactions with a typical volume size of 1-5 truckloads (approximately 40,000-200,000 lbs).

Find full methodology for the S&P Global Platts petrochemical price assessments here: https://www.spglobal.com/platts/en/our-methodology/methodology-specifications/petrochemicals/americas-petrochemicals-methodology

Contact:
Americas: Kathleen Tanzy, +1 917 331 4607, kathleen.tanzy@spglobal.com

About S&P Global Platts
At S&P Global Platts, we provide the insights; you make better informed trading and business decisions with confidence. We're the leading independent provider of information and benchmark prices for the commodities and energy markets. Customers in over 150 countries look to our expertise in news, pricing and analytics to deliver greater transparency and efficiency to markets. S&P Global Platts coverage includes oil and gas, power, petrochemicals, metals, agriculture and shipping.

S&P Global Platts is a division of S&P Global (NYSE: SPGI), which provides essential intelligence for individuals, companies and governments to make decisions with confidence. For more information, visit **https://www.spglobal.com/platts/en**

S&P Global
Platts

SOURCE S&P Global Platts

For further information: Asia: Melissa Tan, +65-6597-6241, melissa.tan@spglobal.comEMEA: Alex Brog, +44 20 7176 7645, alex.brog@spglobal.com and Russ Gerry, +44 207 176 3569, russell.gerry@spglobal.com

---

https://press.spglobal.com/2020-11-16-S-P-Global-Platts-to-Assess-Prices-for-Food-Grade-Recycled-PET-Packaging-Pellets