

Biodegradable Plastic Packaging Market Size & Share Analysis - Growth Trends and Forecast (2026 - 2031)

> **Industry:** Sustainable & Biodegradable Packaging (Packaging)
> **Source:** https://www.mordorintelligence.com/industry-reports/biodegradable-plastic-packaging-solutions-market-industry
> **Scraped Date:** 2026-09-17

Executive Market Summary

Market Metric	Details
Base Market Size	USD 9.04 billion
Projected Forecast (2031)	USD 9.04 billion
Growth Rate (CAGR)	20.11 %
Largest Market Region	N/A
Fastest-Growing Region	N/A

Market Visualizations & Infographics

! [Major players in Biodegradable Plastic Packaging industry] (images/chart_2.png)

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! [Biodegradable Plastic Packaging Market: Market Share by Material Type] (images/chart_4.png)

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Comprehensive Research Analysis

Overview Points List Flex 49 Share Feature End

Market Overview	Study Period	2020 - 2031
Market Size (2026)		USD 3.62 Billion
Market Size (2031)		USD 9.04 Billion
Growth Rate (2026 - 2031)		20.11 %
Fastest Growing Market		Asia Pacific
Largest Market		Europe
Market Concentration		Medium

Major Players*Disclaimer: Major Players sorted in no particular order

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Market Overview

Biodegradable Plastic Packaging Market Analysis by Mordor IntelligenceThe Biodegradable Plastic Packaging Market size is projected to be USD 2.86 billion in 2025, USD 3.62 billion in 2026, and reach USD 9.04 billion by 2031, growing at a CAGR of 20.11% from 2026 to 2031.

Commercial demand is accelerating as governments tighten single-use plastic bans, retailers embed compostability metrics into supplier scorecards, and converters retrofit legacy film-blowing lines to run bio-resins. Brand owners are prioritizing end-of-life transparency on pack, which is boosting adoption of certified home-compostable formats in regions where industrial infrastructure is thin. Meanwhile, consolidation among global converters is reshaping capacity allocation toward recyclable fiber alternatives, forcing bio-resin suppliers to defend share with superior barrier performance and lower carbon footprints. Feedstock volatility for corn and sugarcane remains a structural challenge, yet new capacity planned in India and Europe aims to diversify geographic sourcing and stabilize long-term supply.

- Key Report Takeaways*
- By material type, polylactic acid led with 33.34% of the biodegradable plastic packaging market share in 2025, while polyhydroxyalkanoates are forecast to expand at a 21.43% CAGR through 2031.
 - By packaging type, flexible formats accounted for 46.37% of the biodegradable plastic packaging market in 2025, yet rigid formats are projected to grow at a 20.39% CAGR through 2031.
 - By end-use industry, food accounted for 29.13% of revenue share in 2025, where as personal care and home care are poised to grow at a 21.67% CAGR during 2026-2031.
 - By compostability, industrial-compostable solutions captured 57.04% of the market in 2025, but home-compostable formats are gaining at a 20.43% CAGR over the forecast period.
 - By geography, Europe retained a 39.37% share in 2025, yet Asia-Pacific is the fastest-growing region at a 21.18% CAGR through 2031.

Key Market Trends

Market Trends and InsightsDrivers Impact Analysis of Biodegradable Plastic Packaging Market*Driver | (~) % Impact on CAGR Forecast | Geographic Relevance | Impact Timeline |

Accelerated Bans On Single-Use Petro-Plastic Packaging Across EU And India | +4.2% | Europe, Asia-Pacific (India) | Short Term (≤ 2 Years) |

Food-Delivery App Proliferation Requiring Compost-Ready Formats In North America | +3.1% | North America | Medium Term (2–4 Years) |

Retailer Plastic-Neutral Pledges Boosting Demand | +2.8% | Global, Focused On North America And Europe | Medium Term (2–4 Years) |

Re-Tooling Of Existing Film-Blowing Lines To Run Bio-Resins | +2.3% | Global | Long Term (≥ 4 Years) |

Brand Shift To Transparent Carbon Labeling On Packs | +1.9% | Global | Medium Term (2–4 Years) |

Corporate-Level Internal Carbon Price Adoption Above USD 70 t-CO₂ | +1.6% | Global | Long Term (≥ 4 Years) |

Source: Mordor Intelligence |

Competitive Landscape

Competitive Landscape

Three multibillion-dollar mergers between 2024 and 2025 rewired the market hierarchy. Amcor's USD 8.4 billion acquisition of Berry Global widened its flexible and rigid portfolio and signaled a strategic tilt toward fiber-based trays. Novolex's USD 6.7 billion bid for Pactiv Evergreen consolidates North American foodservice packaging, giving the combined company unmatched restaurant reach. CD&R's USD 10.3 billion purchase of Sealed Air folds protective films into a private-equity platform betting on material-agnostic solutions.

While mega-deals trend toward recyclability, specialized players target white-space opportunities inside the biodegradable plastic packaging market. Avantium inked a joint development agreement with Amcor Rigid Packaging on polyethylene furanoate, securing capacity reservation that de-risks scale-up. BASF collaborates with Metpack on home-compostable barrier papers to meet bakery and dry goods demand. Meredian Holdings' rescue of Danimer's PHA assets underscores continued appetite for advanced bio-polyesters despite prior balance-sheet strain.

Certification differentiation is intensifying. TÜV Austria and the Biodegradable Products Institute have become gatekeepers as retailers mandate proof of home or industrial degradation. Converters without dual certification face delisting risk. Feedstock integration is another battleground: NatureWorks and TotalEnergies Corbion control large PLA capacities, but upcoming Indian and European plants promise to dilute concentration and moderate price swings. Overall, competition pivots on speed to validate performance under evolving regulatory definitions, rather than on raw tonnage alone.

Biodegradable Plastic Packaging Industry Leaders* Amcor plc

* BASF SE

* NatureWorks LLC

* Tetra Pak International S.A.

* Kuraray Co., Ltd.

* *Disclaimer: Major Players sorted in no particular order

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Scope Methodology P Space

This market covers packaging solutions made using biodegradable plastics that are designed to break down under defined conditions, and that are sold into packaging applications across end-use industries. It is measured in value terms and reflects the demand for finished packaging formats, not just raw resin output.

Scope exclusions: We exclude non-biodegradable bioplastics and conventional fossil-based plastic packaging, and we also avoid counting recycling services or waste-management revenues as part of the packaging market value.

Segmentation Container

* By Material Type* Starch Blends

* Polylactic Acid (PLA)

* Poly(Butylene Adipate-co-Terephthalate) (PBAT)

* Polybutylene Succinate (PBS)

* Polyhydroxyalkanoates (PHA)

* Other Material Types

* By Packaging Type* Flexible Packaging* Bags and Pouches

* Films and Wraps

* Labels and Sleeves

- * Rigid Packaging* Tableware
- * Trays and Bowls
- * Food Containers
- * Coffee Cups and Pods
- * Other Rigid Packaging
- * By End-use Industry* Food
- * Beverage
- * Foodservice
- * Personal Care and Home Care
- * Pharmaceutical
- * Other End - Use Industry
- * By Compostability* Home-Compostable
- * Industrial-Compostable
- * By Geography* North America* United States
- * Canada
- * Mexico
- * Europe* Germany
- * United Kingdom
- * France
- * Italy
- * Spain
- * Russia
- * Rest of Europe
- * Asia-Pacific* China
- * India
- * Japan
- * South Korea
- * Australia and New Zealand
- * Rest of Asia-Pacific
- * Middle East* Middle East
- * United Arab Emirates
- * Saudi Arabia
- * Turkey
- * Rest of Middle East
- * Africa* South Africa
- * Nigeria
- * Egypt
- * Rest of Africa
- * South America* Brazil
- * Argentina
- * Rest of South America

Frequently Asked Questions

What is the projected value of the biodegradable plastic packaging market by 2031?

The market is forecast to reach USD 9.04 billion by 2031 on the back of a 20.11% CAGR from 2026-2031.

Which material leads current revenue?

Polylactic acid contributed 33.34% of revenue in 2025, supported by large-scale

plants in the United States and Thailand.

Which region is expected to grow the fastest?

Asia-Pacific is projected to record a 21.18% CAGR through 2031 as China and India scale bio-resin output.

Why are home-compostable formats gaining popularity?

Limited industrial composting capacity outside Western Europe pushes brands to adopt backyard-degradable packaging certified to TÜV Austria or ASTM D6400.

How are mergers changing the competitive landscape?

Acquisitions by Amcor, Novolex, and CD&R between 2024 and 2025 consolidated flexible and rigid capabilities, steering investment toward fiber and recyclable alternatives.

What hampers wider adoption of PLA?

Feedstock price swings for corn and sugarcane compress margins, making price stability a persistent challenge for polylactic acid producers.