

PLASTICS INDUSTRY ITALY

## Modest rebound in virgin materials / Compostables stabilise / Flat demand in 2025

31 July 2025

**Media Voucher:** For our colleagues in media and PR (more...)

— By *Marilyn Gerlach* —

Italy's consumption of virgin thermoplastics is expected to pick up slightly in 2026, with growth likely to remain below 1% compared with 2024. This slight uptick is anticipated in line with a broader economic rebound in continental Europe, said *Paolo Arcelli*, a director at consultancy firm **Plastic Consult** (Milan, Italy; [www.plasticconsult.it](http://www.plasticconsult.it)), speaking to **PIE**.

For 2025, however, the outlook remains subdued. Arcelli said plastics consumption in Italy is forecast to remain "more or less flat" compared with 2024. "We're receiving mixed signals from different converters," he noted, adding that "uncertainty is still very high".

In the first quarter of 2025, consumption of virgin polymers declined by approximately 1%-1.5% compared with the same period in the previous year.

### Italy plastics tax likely to be postponed again

Commenting on Italy's Plastic Tax, which has now been postponed to 1 July 2026, Arcelli explained that the potential implementation was already accounted for in their forecasts for both 2025 and 2026. The expected impact had been spread over a six-month period in the 2026 projections.

**Related:** [Weak development in construction depresses PVC consumption in Italy](#)

"The overall impact on plastics consumption will be, in my opinion, close to neutral," he said, noting that the tax would likely favour the use of recyclates over virgin polymers in various applications.

Given the repeated postponements, Plastic Consult has not updated its initial estimates of the tax's effect. "We are not updating that specific assessment also because we don't think the Italian Plastic Tax will be implemented, at least not with the current government," he said, adding that several MPs have made similar statements publicly.

In a separate interview with Italian media, Arcelli reported that Italy's virgin thermoplastics market stood at just over 5 mn t in 2024, marking a marginal decline of 0.2%. He expects demand to remain largely stagnant over the next two years.

"Going into more detail in our sector, we are witnessing a widespread loss of competitiveness in transformation activities. In some sectors, including the extrusion of 'entry level' and standardised films, we can speak of a structural crisis, with no solutions in the short and medium term," he added.

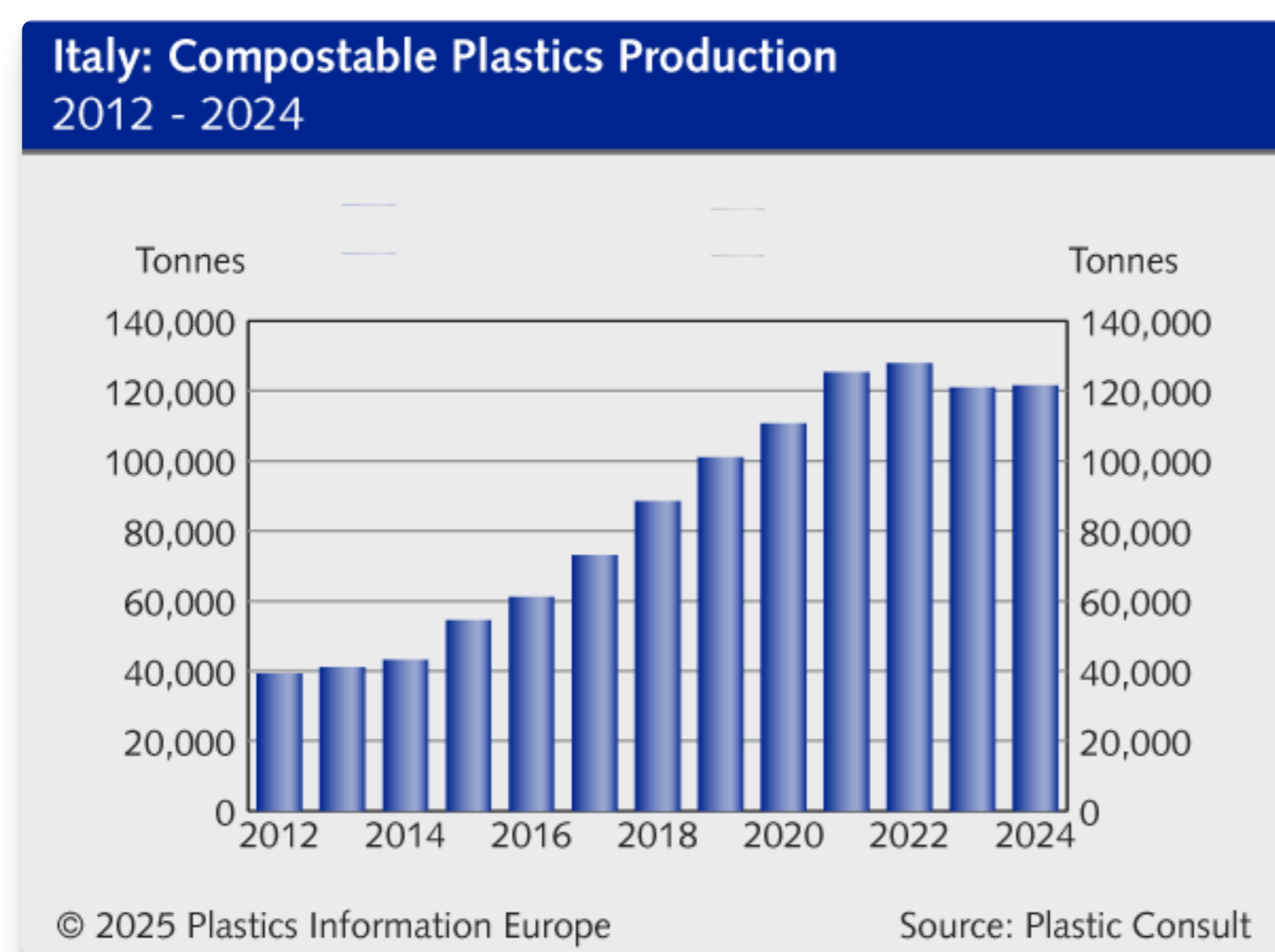
### Sustainability pressures challenge compostables sector

According to Plastic Consult, Italy's compostable plastics industry saw a modest volume rebound in 2024 (+0.5%), but turnover fell sharply by more than 15% to just over EUR 700 mn. The decline was driven by falling raw material prices, low-cost imports – particularly from Asia – and ongoing competition from illegal or misleadingly labelled products.

Growth in specific niches like ultralight bags and compostable agricultural films only partially offset declines in core segments such as single-use items and food-waste sacks.

**Related:** [Mechanical recycling bounces back in Italy despite persistent challenges](#)

While the EU's final [Packaging and Packaging Waste Regulation](#) (PPWR) confirms support for compostables, its practical impact will depend on how member states, including Italy, implement the rules – likely not before 2026.



The consulting firm reported that between 2011 and 2024, Italy's national production of compostable polymers showed stable growth, increasing by 210% since 2012. After steady annual rises, production peaked in 2022 at nearly 128,000 t before experiencing a slight decline in 2023. However, 2024 saw a modest recovery, with production stabilising at around 121,500 t – a 0.5% increase compared to the previous year. This trend highlights a resilient but mature market for compostable polymers in Italy.

### Italian plastics machinery industry posts growth in 2024

Meanwhile, Italy's plastics and rubber processing machinery industry ended 2024 on a positive note, according to **Amoplast** (Milan; [www.amoplast.org](http://www.amoplast.org)). The sector recorded turnover of over EUR 4.82 bn – up 1.4% year-on-year – exceeding earlier expectations that had pointed to a slight downturn.

This growth was attributed to the strong performance of exports, climbing 1.5% year-on-year to EUR 3.62 bn and accounting for three quarters of production. Exports peaked in the final quarter of the year, particularly in December.

While more established markets such as the European Union and North America registered modest expansion, other regions – such as the East Asia, Sub-Saharan Africa, and the Middle East – proved to exhibit dynamic growth in demand, though they accounted for smaller shares.

Imports, by contrast, declined by 7% over the year, ending just above EUR 1 bn.

In terms of end markets, the packaging sector was the top contributor to industry revenues, with food-related applications making up 29% and non-food packaging accounting for 17%. This was followed by the automotive sector (16%), construction (12%), and medical applications (5%).

- More from these categories:
- ▶ Markets ▶ Polymer Materials ▶ Polymers ▶ **General**
  - ▶ Markets ▶ Processing ▶ **General**
  - ▶ Markets ▶ Regions and Countries ▶ Europe ▶ **Italy**
  - ▶ Markets ▶ Other ▶ **Economic Trend**