

TRA Points – Non Confidential

Non-Confidential Version

Legal name of company	Bantam Materials
Legal structure	Limited Company
Year of establishment	2011
Place of registration	8 The Green, Richmond, United Kingdom, TW9 1PL
Name (point of contact)	[redacted – contains personal information]
Position	Regulatory Consultant
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Comments on the Alpek submission

Question 5

Describe the like goods and directly competitive goods produced by the UK industry (if possible, attach digital versions of images, brochures, catalogues, etc).

The Applicant produces vPET. It is identical to vPET imported into the UK and like rPET (either imported or domestically produced), which it directly competes with. The Applicant produces vPET according to the process set out in response to question 6.

Alpek state that rPET directly competes with vPET, this is not strictly true. Food grade rPET pellet produced through either a Sustainable or a Novel Technology (via EC/1616/2022) is directly competitive. rPET flake products are non-food grades and cannot compete with vPET is food contact applications.

Question 6 Comparability of the Goods

As a preliminary point, the UK TRA in its final determination in Case No. TS0060, issued 15 October 2025 (here), determined that vPET and rPET should be considered as the UK PET market (paragraphs 61 and 64). The UK TRA went on in paragraph 68 to determine that the practical uses of vPET and rPET are interchangeable as both can be used in food packaging and, due to regulations, both are needed by the downstream producers of said packaging products.

The highlighted section is only partly correct. rPET flake products are non-food grade and are not interchangeable with vPET to produce food grade containers. rPET pellets which have been upgraded in a sustainable or a Novel technology are interchangeable.

Point (a) bullet point 2

There are no additional raw inputs required to produce rPET, as the addition to the vPET process is plastic flakes created by grinding vPET consumer products (e.g. bottles). The flakes are then blended into vPET to the required percentage blend.

The highlighted section is incorrect. Recovered PET flakes in general are not considered to be food contact grade and therefore cannot be blended into virgin PET. For food contact applications (ie bottles). The flakes must be further processed to pellet (via an approved process according to EU regulation 1616/2022 and its UK equivalent SI) to become a food contact grade. rPET Flake per se cannot be used directly in a food contact application. Therefore, rPET flake cannot be considered as being interchangeable with vPET.

rPET Flake can be used as an inner layer in a three layers or more structure if it complies with regulation 10/2011¹ (SI 2012/2619) and its subsequent amendments see Article 14 (2).

Question 6

Point (c) bullet point 4

rPET with 50% vPET content is typically produced by the "single pellet technology" ("SPT") process where clear 100% rPET flake/pellet produced from consumer recycling programs are injected into the virgin production process which further decontaminates and undergoes partial glycolysis. This process has the potential to incorporate from 10-50% rPET in every single resin pellet made. The result is an improved method of incorporating PCR into preforms and bottles while delivering nearly the same characteristics and performance as vPET. SPT enables simpler downstream processing for customers focused on adding recycled content to their end-use offerings. With SPT resin having integrated recycled content, dual feeding, inventory and storage of two materials are eliminated at customer operations to add recycled content to their end use offerings.

This section refers to a process (<https://www.plastipak.com/plastipak-introduces-pakpet-single-pellet-pet-solution/>) used by a single company. The process is also called Flake Injection Technology and is for food grade applications, it is also referred to as a Novel Technology (see regulation EU/1616/2022²) see also <https://www.pet-europe.org/flake-injection-consortium/>. Imported rPET flake used for this application is very low tonnage as the technology is developing and is not yet fully approved. Essentially the process upgrades non-food grade PET to food contact status.

Similarly, non-food grade rPET flake is upgraded via Sustainable Technologies (see EU/1616/2022) and this is by far the largest current application. In the UK there are approximately 30 recycling facilities using Sustainable Technology processes <https://ec.europa.eu/food/food-feed-portal/screen/fcm/rfn>

It is the opinion of the author that the vast majority of rPET flake is unlikely to be used in Novel Technology processes for at least the next 3-5 years due to speed of legislation.

¹ COMMISSION REGULATION (EU) No 10/2011 of 14 January 2011 on plastic materials and articles intended to come into contact with food

² COMMISSION REGULATION (EU) 2022/1616 of 15 September 2022 on recycled plastic materials and articles intended to come into contact with foods, and repealing Regulation (EC) No 282/2008

Additionally, the output from Novel Technologies will sold globally (see <https://www.pet-europe.org/flake-injection-consortium/>).

Question 6

Distribution and Use

All products are distributed through direct sales to the downstream market (food packaging producers), as follows: Food Packaging Producers: PET is essential for food packaging, it is essentially for ensuring the preservation and protection of food items. Both vPET and rPET can be used in the same processes to create end products such as blow moulding, injection moulding and extrusion, which the food packaging producer will determine

Again Alpek fail to distinguish between rPET flake which cannot be used in direct food use applications and rPET pellet which can be used in direct food use applications.

(d) bullet point 1

Applicant produced vPET is identical to imported vPET and therefore has the same functional likeness and end uses. rPET and vPET are generally used for food packaging including containers, bottles and thermoformed sheets.

rPET in flake form cannot be generally used for direct food packaging including containers, bottles and thermoformed sheets unless that flake has been upgraded via an approved process.

(d) bullet point 2

All products are distributed through direct sales to the downstream market (food packaging producers), as follows:

- o **Food Packaging Producers:** PET is essential for food packaging, it is essentially for ensuring the preservation and protection of food items. Both vPET and rPET can be used in the same processes to create end products such as blow moulding, injection moulding and extrusion, which the food packaging producer will determine.

It is not true to say that rPET flake can be used in the same process. Reprocessed rPET (pellet) can be used in the same process.

(d) bullet point 3

For completeness, while there may be minor physical differences in between vPET and rPET in terms of colour, transparency and the ability to process rPET due to metal contamination, these differences are not significant and do not affect the interchangeability of rPET and vPET (whether UK produced or imported), or the overall functionality of the product. As such, UK produced vPET competes with rPET.

In this paragraph the appellant does not distinguish between non food grade rPET flake and (upgraded to) food grade rPET pellet. UK vPET does not, and cannot be said, to compete with rPET flake which is intrinsically non-food contact material.

Question 9

(a) Bullet point 1

The UK PET market is comprised of two segments, vPET and rPET. Notwithstanding this, vPET and rPET may be used interchangeably (see paragraph 334 of the TRA's Final Recommendation on Case TS0060).

It is true that upgraded rPET pellet can be used interchangeably with vPET, however it is not true that rPET flake can be used as this is generally a non-food grade, unless it has been upgraded to food grade via an approved process.

Question 9

(c) Bullet points 1 & 2

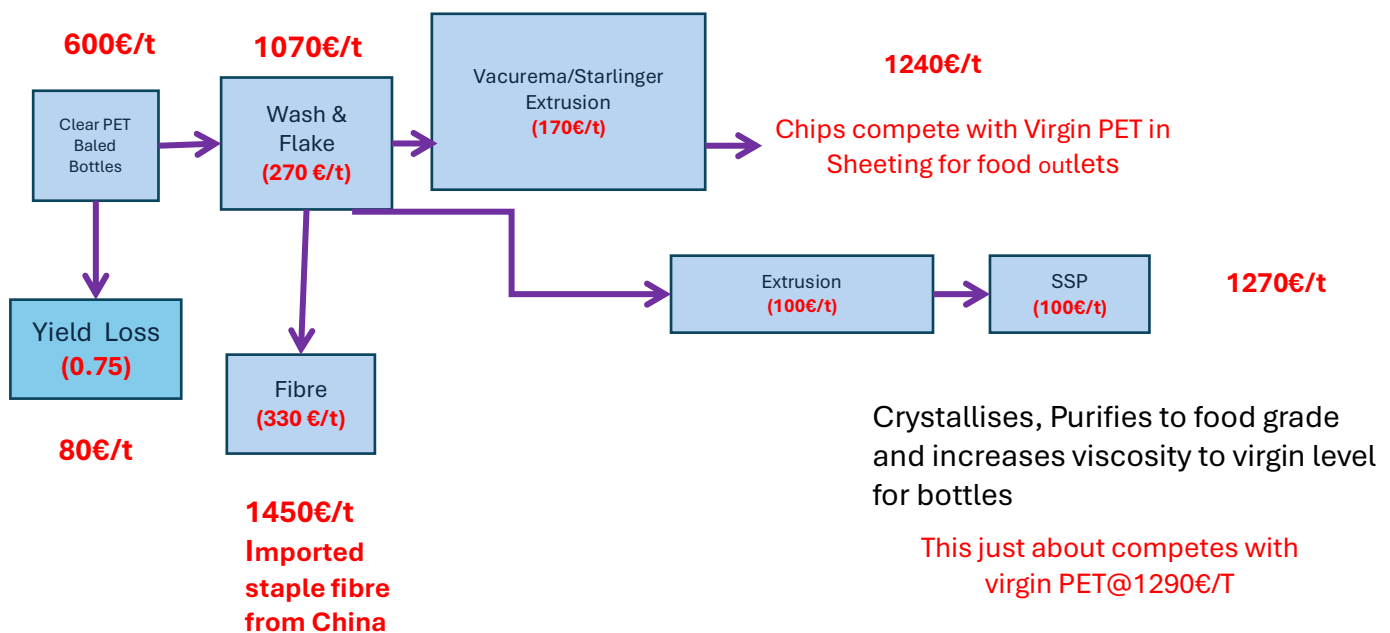
c) Competition in the Market

- The UK PET market faces strong competitive pressure from low-cost imports, due to suppliers redirecting excess production from their domestic markets.
- As a result of these factors, the UK market is highly price sensitive. Even small changes to pricing can impact buying decisions as customers are trying to achieve the lowest value of £ per tonne, given the high volumes involved in transactions.

It is true that the PET market per se is very competitive, however upgraded rPET is often more expensive than vPET due to the extra processing costs in upgrading. This is partially demonstrated by this upgrade diagram from 2012. Although dated it is still indicative of the process costs today.

Example of Cost of PET Recycling– Europe End October 2012

- The percentage of variable/total costs for food grade rPET is currently ca 47%
- Flake price/virgin price= 0.82



Question 10

The Applicant respectfully submits that no PCN structure would be necessary in this case. There are no **meaningful differences in the physical characteristics between vPET and rPET** requiring the use of a PCN structure. Such approach would be in keeping with the approach adopted by TRA in Case TS0060

We respectfully disagree. rPET is available in two forms rPET flake and rPET pellet. Both forms are physically different in size and shape. rPET flake is not suitable for use in direct food packaging, rPET pellet is suitable for use in direct food packaging.

Question 25 point 5

Describe the alleged increased imports of the goods identified. Specify whether the increase is absolute, relative to UK production or both.

Alpek has not differentiated between rPET flake production and rPET pellet production. rPET Flake is not suitable for food contact packaging and therefore cannot be a competitor to Alpek vPET resin.

Commercial Data

[REDACTED COMPANY NAME] Product flows 2021 -2025

rPET Pellet for food use applications

Total rPET Pellet UK sales 2021-2025	Redacted
Total rPET Pellet EU Sales 2021-2025	Redacted
Total Non-EU Pellet Sales 2021-2025	Redacted
Total	Redacted

Pelletisation routes for food grade pellet 2021-2025

- 1) [Redacted UK pelletiser] produce 8,569.7tes ; this is sold to: UK [REDACTED], EU [REDACTED], Non-EU REDACTED.
- 2) [REDACTED] (non-UK production) [REDACTED], this is sold to: UK [REDACTED], EU [REDACTED], Non-EU [REDACTED]
- 3) Other (non-UK production) total [REDACTED], this is sold to UK [REDACTED], EU [REDACTED], Non-EU [REDACTED]

Total pellet production = 8,569.7 + 3,076.9 +1,797.6 = 13,444.2tes.

rPET Flake product for NON food use applications.

Total rPET Flake UK Sales 2021-2025	REDACTED
Total rPET Flake EU sales 2021-2025	REDACTED
Total Non-EU Flake sales 2021-2015	REDACTED
Total	REDACTED

A further [REDACTED] of imported flake is sold to a UK Company who upgrades the flake to food grade pellet and sells to its own market, ie it is outside of the [REDACTED] system.

We would like to try to obtain further data to show the distribution of imports of rPET flake (which is non-food grade) and rPET pellet (which is food grade) which is either a) imported as Pellet or is b) converted to pellet in the UK for sale within the UK but this will take some time.

rPET is not competitive on price grounds

Price Graph Produced using Independent Subscription Data

GRAPH REDACTED

As can be seen in the above graph, the price of food grade rPET pellet has been consistently higher than vPET pellet. The PET market is a commodity market and very price competitive and as such it is clearly shown that rPET pellet is not competitive with vPET. There were a number of occasions over the investigation period that non-food grade rPET flake was also not competitive with vPET.

Sustainability

The UK market for PET is ~300ktes.

To align with the EU Single use Packaging Directive (UK SI 2024/1332) PET bottles must contain 25% recycle content from 2025 to 2030 when the recycle content must increase to 30%.

This means that the UK requires 75ktes of food grade rPET pellet to meet this demand for the 2025 target and this rises to 90ktes in 2030.

In practice many packaging producers target much higher levels of recycle content in their products. This does drive an even higher demand for food grade rPET Pellet.