

# Paper Trays Market Set to Surge at 5.8% CAGR, to Reach US\$ 10,758 Million by 2035: Fact.MR Report

*Eco-friendly shift in food packaging fuels steady growth in the paper trays market, driven by sustainability trends and regulatory support.*

ROCKVILLE, MD, UNITED STATES, July 1, 2025 /EINPresswire.com/ -- The global [paper trays market](#) is anticipated to grow from USD 5,840 million in 2024 to USD 10,758 million by 2035, registering a CAGR of 5.8% during the forecast period (2025–2035).

This growth is primarily driven by the increasing demand for sustainable and biodegradable packaging solutions, especially in the foodservice and retail sectors. With stricter environmental regulations being implemented worldwide and a growing shift in consumer preferences toward eco-friendly alternatives to plastic, paper trays are emerging as a viable, low-impact packaging option.

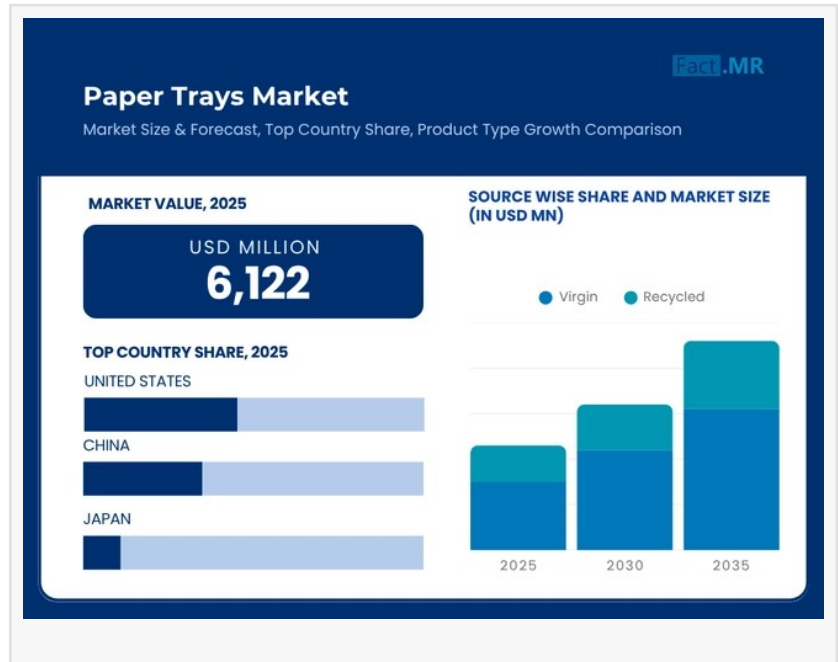
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## Key Drivers of the Paper Trays Market

The primary growth driver for the paper trays market is the global push toward sustainable packaging solutions. Heightened awareness of plastic pollution, along with regulatory bans on single-use plastics—particularly in regions like the European Union, North America, and parts of Asia—are accelerating the shift toward eco-friendly alternatives such as paper trays. This trend is especially prominent in the foodservice, healthcare, and consumer goods sectors.

Another major driver is the rise in food delivery and takeaway services, a trend intensified by the COVID-19 pandemic. Restaurants and cloud kitchens are increasingly adopting paper trays due



to their hygienic, safe, and environmentally conscious qualities. Additionally, the expansion of retail chains and supermarkets is fueling demand for food-grade packaging that meets both consumer expectations and sustainability goals.

### Challenges and Restraints in the Paper Trays Market

Despite growing demand, the paper trays market faces several challenges. Cost remains a major concern—paper trays typically have higher production costs than plastic alternatives due to expensive raw materials (like virgin or recycled pulp) and resource-intensive manufacturing processes. Added coatings for moisture resistance also raise costs.

Durability is another limitation. Paper trays may not perform well with high-moisture or greasy foods unless treated with barrier layers, which can hinder recyclability or compostability, reducing their environmental appeal.

Furthermore, a lack of widespread composting infrastructure in many regions limits proper disposal options. Without access to industrial composting, businesses and consumers may struggle to dispose of used trays sustainably, which could slow adoption despite rising environmental concerns.

### Country-Wise Outlook

The United States holds the largest share of the global paper trays market, driven by a nationwide push to reduce plastic use, growing consumer preference for sustainable packaging, and increased adoption by retailers and foodservice providers. The demand for compostable and recyclable trays is accelerating, particularly within quick service restaurants (QSRs), school meal programs, and institutional catering.

In Europe, Germany stands out as a key market, propelled by the Packaging Act, stringent recycling regulations, and proactive alignment with the EU Single-Use Plastics Directive. Demand is especially strong in the fresh produce, meat, and bakery segments, where paper trays offer a compliant, eco-friendly packaging alternative.

### Competitive Analysis

The paper trays market is highly competitive, driven by sustainability mandates, material innovation, and evolving regulatory frameworks. Companies are focusing on cost-effective, biodegradable, and recyclable tray solutions to reduce reliance on single-use plastics.

Key competition centers on molded fiber and pulp-based technologies, where moisture resistance, heat tolerance, and performance are crucial. Investments in automation, M&A activity, and regional expansion are helping improve production efficiency and lower carbon footprints.

Brands differentiate through eco-certifications (e.g., FSC, compostable labels) and application versatility across foodservice, retail, and fresh produce. While large firms benefit from global reach, smaller players often target niche, premium eco-packaging segments. Tightening regulations further intensify the competitive landscape.

Key Players: Mondi Group, Huhtamaki, International Paper, BillerudKorsnäs, UFP Technologies, CS Packaging, Stora Enso, Novolex, Orcon Industries, Athena Superpack, Henry Molded Products, and others.

Recent Developments:

May 2025: Marks & Spencer launched an FSC-certified, oven- and microwave-safe recyclable tray for ready meals.

Oct 2024: Yangi introduced a dry-formed fibre tray, fully recyclable and ideal for meat, ready meals, and takeaways.

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Segmentation of Paper Trays Market

By Source :

Virgin

Recycled

By Material Type :

Corrugated Boards

Boxboards/Cartons

Molded Pulp

By End-Use :

Retail Industry

Food & Beverage Industry

Personal Care & Cosmetics Industry

Healthcare Industry

Consumer Durables and Electronics Industry

By Region :

North America

Latin America

Western Europe

Eastern Europe

East Asia

South Asia & Pacific

Middle East & Africa

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The global [paper cutlery market](#) is expected to reach USD 915 million by 2035, up from USD 389 million in 2024. During the forecast period (2025-2035), the industry is projected to register a CAGR of 8.1%.

The global [paper bottles market](#) stands at US\$ 71.3 million in 2024. The market is predicted to expand at a CAGR of 7.4% and reach a valuation of US\$ 145.2 million by the end of 2034.

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Contact:

11140 Rockville Pike

Suite 400

Rockville, MD 20852

United States

Tel: +1 (628) 251-1583

Sales Team: [sales@factmr.com](mailto:sales@factmr.com)

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S. N. Jha

Fact.MR

+1 628-251-1583

[sales@factmr.com](mailto:sales@factmr.com)

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