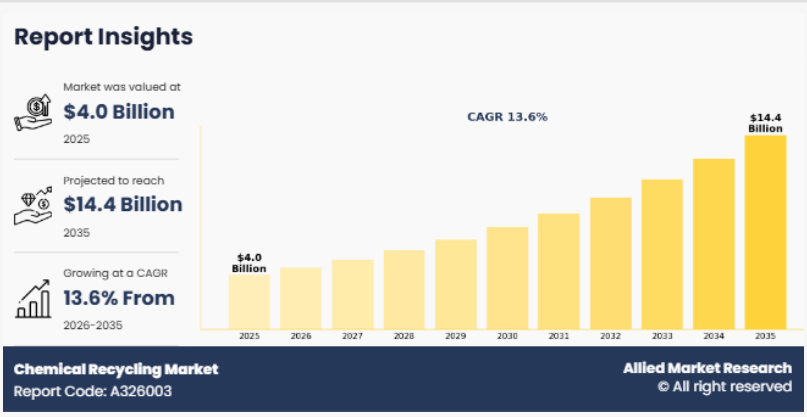
Chemical Recycling Industry Size is Projected to Reach USD 14,394.7 Million by 2035

The global chemical recycling market is projected to reach $14,394.7 million by 2035, growing at a CAGR of 13.6% from 2026 to 2035.



Chemical Recycling Markets Analysis

WILMINGTON, DE, UNITED STATES, June 17, 2026 /EINPresswire.com/ -- Allied Market Research published a report, titled, "Chemical Recycling Market - Global Opportunity Analysis and Industry Forecast, 2025-2034", valued at USD 4,027.4 million in 2025, is poised for significant growth. With a projected CAGR of 13.6%, the market is expected to reach USD 14,394.7 million by the end of 2035. The chemical recycling market is driven by the increasing need for sustainable plastic waste management solutions, rising demand for recycled raw materials, and growing regulatory pressure to reduce landfill waste and promote circular resource utilization.

Market Introduction

Chemical recycling includes technologies such as pyrolysis, gasification, depolymerization, and solvolysis. The market is witnessing strong growth driven by the rising volume of global plastic waste, increasing environmental concerns, and growing demand for sustainable waste management solutions. Additionally, advancements in advanced recycling technologies such as catalytic pyrolysis, improved reactor systems, and chemical depolymerization processes are transforming waste processing capabilities, enhancing resource recovery, and improving material circularity.

The adoption of integrated recycling systems that connect waste management facilities with petrochemical production plants, coupled with the development of large-scale chemical recycling plants and improved feedstock sorting technologies, is further accelerating market expansion. Manufacturers and recycling companies are increasingly focusing on developing energy-efficient, scalable, and environmentally sustainable recycling solutions to improve process efficiency and product quality. Strategic collaborations among petrochemical companies, waste management

firms, and technology providers are fostering innovation and enabling the integration of advanced recycling technologies within global circular economy initiatives.

Report Overview:

The chemical recycling market is segmented into technology, industry and region. On the basis of technology, it is classified into pyrolysis, gasification and depolymerization. On the basis of industry, the market is segregated into packaging, automotive, elctronics, construction and others. Region-wise, the market is studied across North America, Europe, Asia-Pacific, and LAMEA.

On the basis of technology, the pyrolysis segment dominated the market share in 2025, and depolymerization is expected to register the highest CAGR during the forecast period.
On the basis of industry, the packaging segment dominated the market share in 2025, and the others is anticipated to grow at the highest CAGR during the forecast period.
On the basis of region, Europe dominated the market share in 2025. However, the Asia-Pacific region is anticipated to grow to the highest CAGR during the forecast period.

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Market Growth & Opportunities Factors:

The chemical recycling market is witnessing growth, driven by the rising volume of global plastic waste, increasing environmental concerns, and a growing demand for sustainable waste management solutions. Advancements in recycling technologies such as pyrolysis, gasification, depolymerization, and catalytic processes are transforming the way plastic waste is processed, improving recovery efficiency and enabling the production of high-quality recycled feedstocks. Additionally, the rise in sustainability commitments by industries, coupled with increase in investments in advanced recycling infrastructure, is supporting the adoption of chemical recycling technologies worldwide. The growing need to process mixed and contaminated plastic waste that cannot be effectively treated through conventional mechanical recycling is further boosting the use of advanced recycling systems across waste management and petrochemical sectors.

Emerging opportunities are centered around the integration of advanced sorting technologies, digital monitoring systems, and process optimization tools in recycling facilities, enabling improved feedstock management and higher recovery yields. The increasing collaboration between petrochemical companies, recycling firms, and technology providers is also accelerating the development of large-scale chemical recycling plants. Moreover, the growing focus on circular economy initiatives and sustainable material management using energy-efficient and environmentally responsible recycling technologies presents new avenues for innovation. Expansion in emerging markets, supported by improving waste management infrastructure, rising industrialization, and government initiatives promoting plastic recycling and circular

economy strategies, also provides significant growth potential for chemical recycling technology providers and industry stakeholders.

Major Challenges in Industry & Solutions:

Despite strong growth, the chemical recycling market faces several challenges. High capital investment requirements for advanced recycling technologies such as pyrolysis, gasification, and depolymerization plants can limit adoption, particularly among small and mid-sized recycling operators. Establishing chemical recycling facilities requires significant infrastructure, advanced reactors, and complex purification systems, which increase both operational and maintenance costs. In addition, inconsistent availability and quality of plastic waste feedstock, along with the need for efficient collection and sorting systems, remains a key barrier in many regions. Regulatory uncertainty in some markets, coupled with the need to demonstrate environmental and economic viability of advanced recycling processes, can also slow market expansion.

To address these challenges, companies are increasingly focusing on developing scalable, energy-efficient, and cost-effective chemical recycling technologies that can operate with a wider range of plastic waste streams. Investments in advanced sorting systems and digital waste management platforms are helping improve feedstock quality and supply consistency. Moreover, collaborations between petrochemical companies, recycling firms, technology providers, and government agencies are supporting the development of integrated recycling infrastructure. Policy support for circular economy initiatives and increased investments in waste management systems are also helping improve the accessibility and commercial viability of chemical recycling solutions across global markets.

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Regional Insights:

North America holds a notable share of the global chemical recycling market, supported by a strong petrochemical industry, advanced waste management infrastructure, and increasing investments in circular economy initiatives. The U.S., Canada, and Mexico are witnessing growing adoption of technologies such as pyrolysis and depolymerization to convert plastic waste into valuable chemical feedstocks. In addition, increasing sustainability commitments from major corporations and rising demand for recycled polymers across packaging and consumer goods industries are supporting market growth in the region.

Europe represents a mature market driven by strict environmental regulations and strong circular economy policies. Countries such as Germany, the U.K., France, Spain, and Italy are investing in advanced recycling technologies to reduce plastic waste and improve recycling rates. Government initiatives promoting the use of recycled materials and sustainable plastic management are encouraging industries to adopt chemical recycling solutions across the

region.

Asia-Pacific holds the major share of the chemical recycling market due to rapid industrialization, high plastic consumption, and rising waste generation. Nations such as China, Japan, South Korea, and India are investing in waste management infrastructure and advanced recycling technologies. The region's strong manufacturing base and growing packaging and consumer goods industries are further increasing demand for sustainable recycling solutions.

LAMEA (Latin America, Middle East, and Africa) is gradually emerging as a promising market with increasing investments in waste management infrastructure and growing awareness about plastic recycling. Countries such as Brazil, Saudi Arabia, and South Africa are expanding recycling initiatives to address rising plastic waste and support circular economy practices.

Key Players:

The major companies profiled in the report include Eastman Chemical Company, Agilyx, Plastic Energy, BASF, Loop Industries, Brightmark, SABIC, Mura Technology, PureCycle Technologies, and INEOS. The key players operating in the market have adopted collaboration, and partnership, product launch, and innovation as their key strategies to expand their product portfolio.

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Key Strategies Adopted by Competitors

November 2025, Eastman, a global specialty materials company, collaborated with Medipack to adopt Eastar 6763 Renew copolyester for medical packaging applications. The material contains up to 50% certified recycled content produced through Eastman's molecular (chemical) recycling technology, enabling circular packaging solutions by converting hard-to-recycle plastic waste into high-quality polymer feedstock.
October 2025, Eastman, partnered with Ugolini to integrate Tritan™ Renew copolyester into beverage equipment containers. The material contains certified recycled content generated through Eastman's molecular recycling technology, helping reduce fossil resource consumption and greenhouse gas emissions while maintaining product performance.
September 2025, Eastman, a global specialty materials company, partnered with Toly to launch Gemini, a luxury cosmetics compact made with Cristal One Renew resin containing up to 100% certified recycled content derived through molecular recycling, demonstrating the use of chemically recycled PET in premium cosmetic packaging.
September 2025, Eastman, collaborated with Doloop to unveil a beverage bottle made with 100% recycled PET using Eastar Renew chemically recycled resin, enabling high-quality packaging with recycled content comparable to virgin material.
April 2024, Eastman, a global specialty materials company, partnered with Debrand to recycle pre- and post-consumer apparel waste using molecular (chemical) recycling technology. The process converts textile waste into molecular building blocks that are transformed into Naia™

Renew fibers containing recycled content.
November 2023, Eastman, collaborated with Ostium to adopt Eastar 6763 Renew copolyester for medical device packaging. The material incorporates recycled content generated through Eastman's molecular recycling process, enabling the production of high-performance packaging materials.
March 2023, Eastman, partnered with Lumene to use Cristal™ One Renew resin in cosmetic packaging. The resin contains certified recycled content derived from Eastman's molecular recycling technology, supporting high-quality cosmetic packaging with reduced reliance on fossil resources.
July 2025, Agilyx signed an agreement to acquire 44% of GreenDot Global, Europe's largest waste plastic recycling platform, for about €52 million. The investment strengthens Agilyx's feedstock sourcing capabilities for advanced/chemical recycling technologies and expands its presence in the circular plastics value chain
April 2023, Agilyx partnered with BioBTX to produce circular aromatic chemicals such as benzene, toluene, and xylene from waste plastics using advanced recycling technologies. The collaboration aims to create sustainable chemical feedstocks for the petrochemical industry.
March 2023, Agilyx partnered with INEOS Styrolution and Technip Energies to develop a large-scale TruStyrenyx plant for chemical recycling of polystyrene waste. The technology converts polystyrene into high-purity styrene monomer that can be reused in food-grade plastic products.
July 2023, SABIC and Plastic Energy partnered with Siemer and Landbell to establish a closed-loop system for plastic packaging recycling. The collaboration focuses on sorting and pre-treating post-consumer plastic waste that will be processed at the advanced recycling unit in Geleen, Netherlands.
March 2025, BASF signed a long-term agreement with Braven Environmental to source PyChem pyrolysis oil derived from mixed plastic waste. The recycled feedstock will replace fossil raw materials at the BASF TotalEnergies Petrochemical (BTP) complex in Texas and support commercialization of BASF's ChemCycling portfolio in North America.
October 2025, BASF introduced two recycling technologies for polyamide (PA6) from end-of-life vehicles, including depolymerization and solvent-based recycling. The processes enable recovery of monomers such as caprolactam, which can be repolymerized into high-performance automotive plastics, helping close the automotive material loop.
September 2025, Loop Industries introduced new applications for Loop PET resin produced from recycled plastic waste. The product is designed for food-grade packaging and textile applications, supporting a closed-loop recycling model.
August 2025, Loop Industries announced a collaboration aimed at expanding circular PET supply chains by integrating recycled PET resin into packaging and textile applications. The partnership strengthens adoption of chemically recycled polyester materials.
August 2025, Loop Industries formed a joint venture with a regional partner to build an Infinite Loop recycling facility. The plant will use the company's chemical recycling technology to convert plastic waste into virgin-quality PET resin and monomers.
July 2025, Loop Industries signed a multi-year offtake agreement with a global brand for supply of recycled PET resin produced using its depolymerization technology. The agreement supports

commercialization of the company's circular polyester materials.
May 2023, Loop Industries announced a collaboration with a global textile company to expand textile-to-textile recycling using its depolymerization technology. The partnership aims to convert waste polyester fibers into new high-quality polyester materials for apparel and textile markets.
July 2024, Brightmark partnered with Lewis Salvage to collect and recycle healthcare plastic waste such as IV bags and packaging materials. The project supports Brightmark's advanced recycling process that converts plastic waste into fuels and circular raw materials.
October 2025, SABIC partnered with Zuyderland Medical Center in the Netherlands to recover and recycle hospital plastic waste that is typically incinerated. The materials are converted through advanced recycling into circular polymers used for new medical packaging applications.
March 2024, SABIC signed an MoU with Pashupati Group to explore opportunities for plastic waste recycling and conversion to pyrolysis oil feedstock. The initiative aims to strengthen feedstock supply for SABIC's TRUCIRCLE certified circular polymers in Asia.
April 2024, SABIC launched bread packaging in Saudi Arabia made with certified circular polyethylene (PE) produced from recycled plastic feedstock under the TRUCIRCLE program. The project demonstrates the use of chemically recycled plastics in food packaging applications.

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