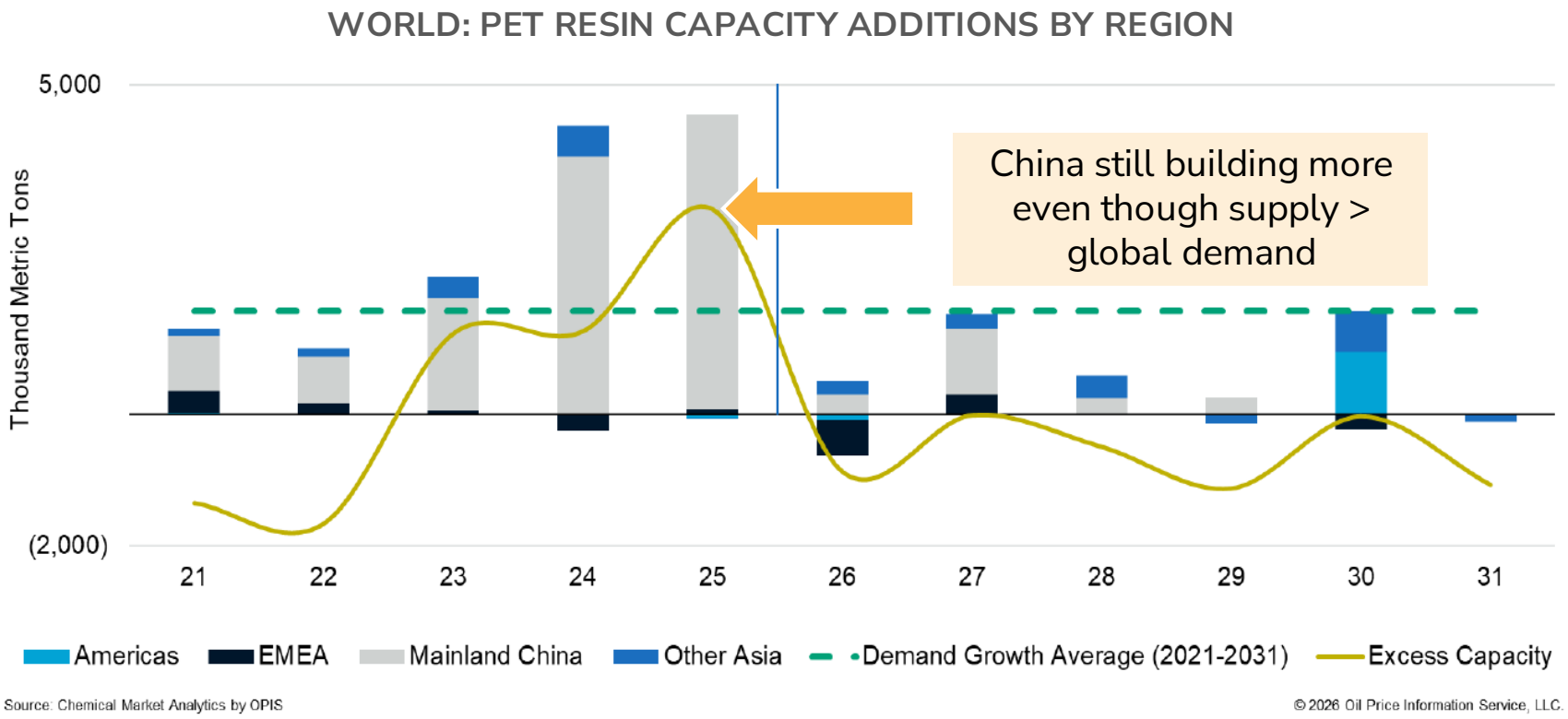
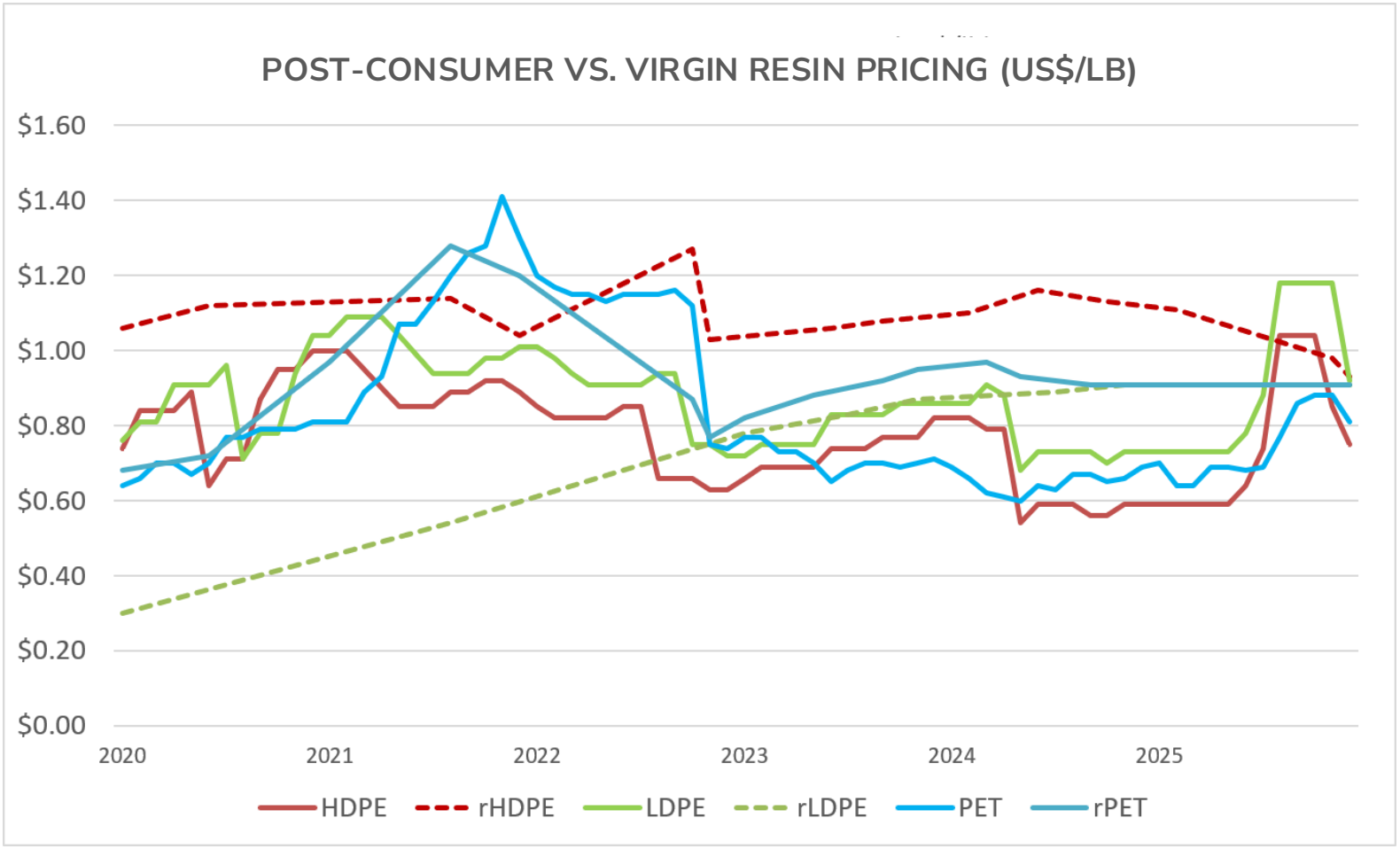
# China Is Making More and New Plastic




- PET production growth in China is **greater than global market demand**
- G15 announce efforts to address overproduction of chemicals which create **"a negative impact on trade and workers"*** (Oct 7, 2026)
- Trade investigations into **China manipulating the global market and undercutting North American industries**
- Recent media coverage indicates **same practice is now applying to other plastics (i.e., polyethylene)****

*Joint Ministerial Statement Addressing Structural Excess Capacity and Production (10.2026).pdf
**China's Polyethylene Exports Surge: Opportunism or Market Disruption?

# Pricing Gap Between Virgin & Recycled Plastic



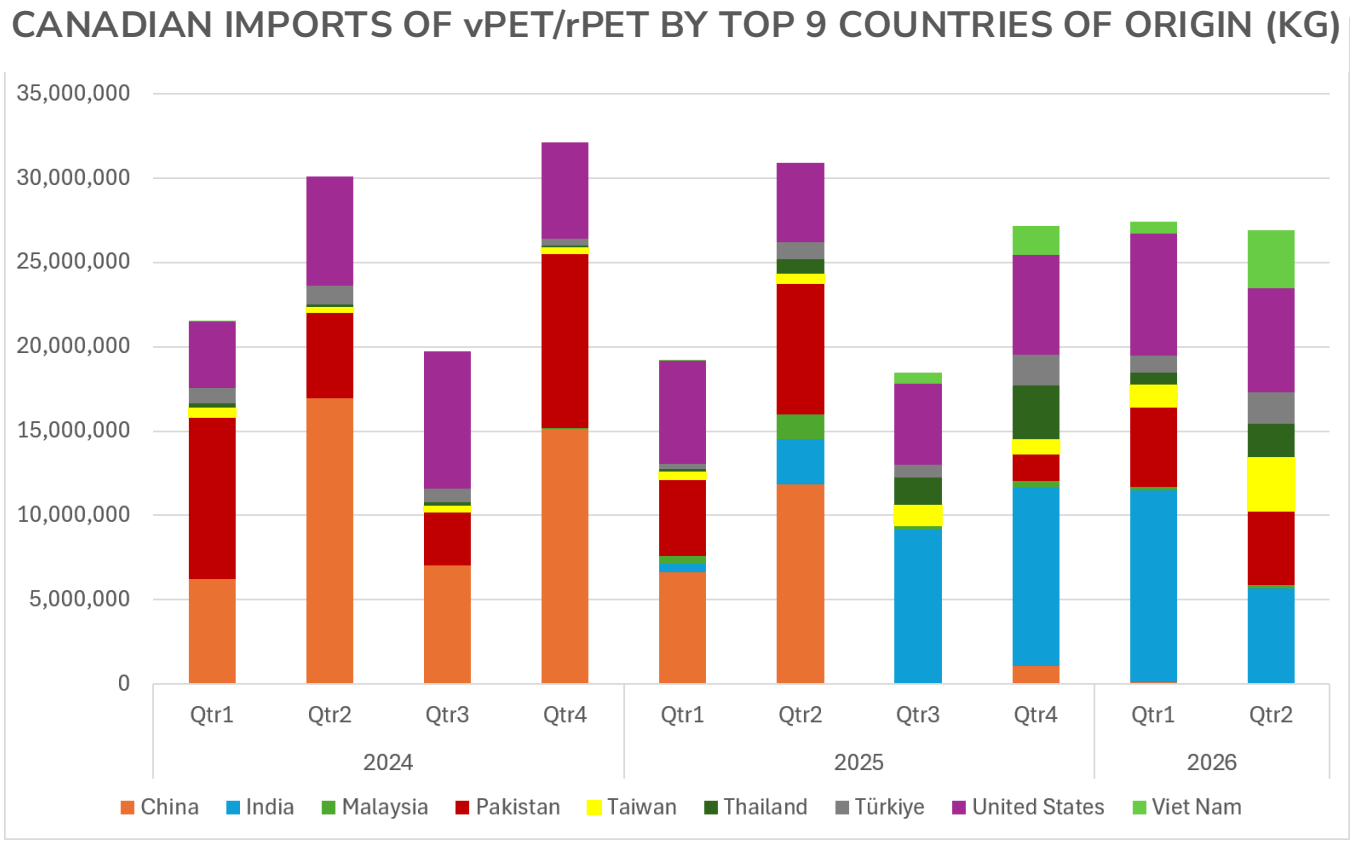

Prime (virgin) resin cost has been significantly lower than recycled resin, with ranges varying by resin type.

| | 2025 ANNUAL AVERAGE | 2025-2026 AVERAGE |
|---|---|---|
| HDPE | 85% ↓ | 70% ↓ |
| LDPE | 24% ↓ | 12% ↓ |
| PET | 36% ↓ | 31% ↓ |

*Plastics News (n.d.). Resin prices.* http://www.plasticsnews.com/resin-prices/

# Surge in Imported PET/rPET Undermines Recyclers

- Imported PET/rPET significantly cheaper due to lower labour costs, environmental standards & raw material costs
- PET Dumping into Canada:
  - June 2025 CBSA ruling — China and Pakistan dumping virgin/rPET blends
  - Post-ruling, imports surge from India shifting, but not solving, the problem
  - July 2026 imports are valued at $22 million CAD
- US study labels Canada as Tier 1 country for trans-shipments of plastics that obscure country of origin and improperly secure CUSMA treatment*




* Aug. 2026, The-Great-Transshipment-Scam.pdf

Source: CBSA trade data, HS 3907.61.00.00, 3907.69.00.10, and 3907.69.00.80. Periods reflect pre- and post-ruling windows; totals were compiled on the original Apr–Mar basis and are pending refresh to these exact date ranges.