# Global eco-friendly food packaging market set to nearly double by 2034 amid rising sustainability drive



The global eco-friendly food packaging market is poised for significant expansion, with its size expected to surge from an estimated USD 211.66 billion in 2025 to over USD 392.37 billion by 2034, according to a recent study published by Towards Packaging, a sister firm of Precedence Research. This growth trajectory is driven by increased environmental awareness, evolving consumer preferences, and regulatory pressures worldwide that promote the adoption of sustainable packaging solutions.

The shift towards environmentally friendly packaging is being propelled by mounting concerns regarding plastic pollution, with plastic waste estimated to contaminate 88% of the sea’s surface and over a million plastic bags discarded into trash receptacles every minute. Approximately half of the 381 million tonnes of plastic produced annually is for single-use purposes, making the need for sustainable alternatives imperative. Consumers’ rising tendency to consider ecological factors during purchasing decisions has further incentivised companies to innovate and adopt green packaging as a fundamental aspect of their business growth and corporate social responsibility strategies.

Eco-friendly food packaging predominantly utilises materials with low environmental impact, often derived from recycled sources, and designed for recyclability or compostability. Among the key industry players driving innovation, Tetra Pak has introduced plant-based cartons made from FSC-certified paperboard, aiming to reduce carbon emissions and utilise renewable inputs. Amcor is committed to ensuring all its packaging is recyclable or reusable by 2025, while Ball Corporation focuses on lightweight aluminium beverage cans that are infinitely recyclable. Other notable innovations include compostable packaging made from renewable resources by Eco-Products, seaweed-based single-use packaging from Notpla, and paper-based trays with high barrier coatings from Mondi Group, which balance recyclability with product protection.

Several significant trends are shaping the market. The demand for compostable plastic packaging that can be safely composted at home is gaining traction, supported by certifications such as TÜV Austria’s European OK Compost Home and AS 5810 standards from the Australasian Bioplastics Association. Materials like polylactic acid (PLA), bagasse, and seaweed-based compounds are increasingly preferred for their compostability and biodegradability. Additionally, reusable packaging models are emerging, especially in food delivery and grocery sectors, aiming to reduce single-use waste. There is also a heightened focus on incorporating recycled content into packaging and developing edible packaging solutions from materials such as seaweed and rice paper.

Another area of growth is the integration of sustainable and smart packaging technologies, including the use of QR codes and smart labels to facilitate recycling and provide transparency regarding environmental impact. Furthermore, minimalist and reduced packaging designs are being adopted to lower material consumption and transportation emissions. Plant-based bioplastics, derived from sources such as sugarcane, corn, and algae, are expanding rapidly, offering plastic-like properties with reduced carbon footprints. Many leading food and beverage corporations have pledged to achieve 100% recyclable or compostable packaging by 2030, indicating the centrality of such initiatives within environmental, social, and governance (ESG) frameworks.

Despite the progress, the market faces challenges including regulatory complexity, limited infrastructure for composting and recycling, resistance from the entrenched traditional plastic packaging industry, and obstacles related to scaling up innovative solutions from pilot phases to mass production. Moreover, variations in recycling and composting capabilities across regions, along with inconsistent regulations and certification processes, complicate widespread adoption.

Technology advancements remain the most promising avenue for market growth. Companies are actively investing in research to develop biodegradable plastics, plant-based composites, and other sustainable materials that enhance packaging performance while addressing environmental goals. An example of recent innovation includes the June 2024 collaboration between Mondelez and Saica Group to develop a paper-based multipack product for chocolates and biscuits. This packaging solution is designed for recyclability within the paper waste stream and supports high-quality printing and heat sealing essential for food safety and consumer appeal.

Regionally, Europe leads the market, accounting for the largest share in 2024, driven by stringent regulations such as the EU Green Deal, Circular Economy Action Plan, and the Single-Use Plastics Directive. These policies, coupled with Extended Producer Responsibility (EPR) laws and strong consumer eco-consciousness, are compelling manufacturers to prioritise sustainable packaging. European companies also leverage sustainable packaging as a competitive advantage in global markets.

The Asia Pacific region, meanwhile, is anticipated to experience the fastest growth rate. Economic development, increasing disposable incomes, and a growing middle class in countries including India, China, and Southeast Asia are fuelling demand for sustainable packaging options. Concurrently, regional governments are enforcing stricter regulations on plastic waste, fostering innovations in bioplastics and compostable packaging. The Asia Pacific market is well-positioned to cater to both domestic and export requirements with competitive sustainable solutions.

In terms of packaging types, recyclable materials held the dominant market share in 2024, underpinned by regulatory mandates and consumer demand for responsible end-of-life management. Biodegradable packaging is forecast to register substantial growth, supported by legislative bans on non-biodegradable single-use plastics and advancements in materials that maintain food quality while being environmentally benign.

Among product categories, bags and pouches commanded the largest share in 2024, often produced using bio-based, biodegradable, or recyclable materials. These formats benefit from reduced reliance on fossil fuels and lower carbon footprints during manufacturing and transportation. Boxes and cartons are projected to register the fastest growth, attributed to their renewability, recyclability, and compliance with plastic reduction policies.

From an end-user perspective, the retail segment currently dominates the eco-friendly packaging market globally. Eco-conscious consumer preferences and regulatory requirements compel retailers to adopt sustainable packaging solutions to maintain brand loyalty and regulatory compliance. Meanwhile, the foodservice segment is expected to exhibit the fastest expansion from 2024 to 2034, as restaurants and takeout services increasingly adopt green packaging options to meet consumer expectations and reduce environmental impact.

Recent developments in the sector include Southeast Asia’s Green Lab entering the North American market in March 2025, offering competitively priced eco-friendly packaging such as FSC-certified, 100% recycled paper bags. Additionally, Rottneros Packaging AB introduced its ‘NATURE’ line of thermoformed moulded pulp food packaging trays at the Packaging Innovations & Empack event in Birmingham, UK, in February 2025. These trays are produced using 100% renewable energy and certified raw materials, with renewable content ranging from 86% to 98%, and demonstrate reduced plastic usage.

Key players shaping the market landscape include Amcor Plc, Tetra Pak, Mondi Group, Sabert Corporation, Smurfit Kappa Group, WestRock Company, Huhtamaki Oyj, DS Smith Plc, Berry Global Inc., Cascades, Sonoco Products Company, Stora Enso Oyj, Novolex Holdings LLC, UFlex Limited, Donovan Bros. Ltd., Vegware Ltd., Winpak Ltd., BioPak Pty Ltd., and Crown Holdings, Inc.

This comprehensive market analysis by Towards Packaging offers extensive insights into segment trends, regional dynamics, and technological innovations shaping the future of eco-friendly food packaging, reflecting a global movement towards more sustainable and circular packaging economies.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://www.globenewswire.com/news-release/2025/04/16/3062675/0/en/Eco-friendly-Food-Packaging-Market-Size-to-Mount-USD-392-37-Bn-by-2034-Packaging-Experts-Analysis.html> - This URL supports the growth projections of the eco-friendly food packaging market and highlights regional trends, especially the dominance of Europe and rapid growth in the Asia Pacific region due to stringent regulations and consumer preferences.
* <https://www.towardspackaging.com/insights/eco-friendly-food-packaging-market-sizing> - This URL corroborates the market's expansion driven by increasing environmental awareness and consumer preference for sustainable products. It also highlights the importance of stringent regulations and technological advancements.
* <https://www.gminsights.com/industry-analysis/eco-friendly-food-packaging-market> - This URL provides insights into the market size, growth rate, and the increase in adoption of biodegradable materials. It also discusses the role of major companies in promoting sustainable packaging.
* <https://www.thebusinessresearchcompany.com/report/eco-friendly-food-packaging-global-market-report> - This URL supports the market growth driven by environmental awareness, regulations on single-use plastics, and corporate sustainability initiatives. It also mentions innovations in biodegradable and compostable packaging.
* <https://www.precedenceresearch.com/eco-friendly-food-packaging-market> - This URL highlights the market growth and the increasing demand for eco-friendly packaging materials. It also emphasizes regulatory factors and technological advancements driving the industry's expansion.