



Single-Use Plastics: How a Reduction Spells Trouble for the Petrochemical Industry

As the oil and gas industry looks to diversify revenue streams, the industry is frequently looking to petrochemicals and the plastics made from them to bolster profits. The reality is that the petrochemical industry is operating on a knife's edge, and the latest report from IEEFA lays bare how fragile relying on single-use plastics (SUP) is as a long-term plan.

The Cost of Cutting SUP

A **70% reduction** in single-use plastics would:

- Avoid roughly **3.85 million** barrels per day of oil consumption
- Reduce demand by approximately **\$138 billion** per year



Even with smaller reductions in SUP production, the petrochemical industry would face financial headwinds.

On a global scale, the petrochemical industry is facing headwinds as weak economics and low demand point to financial risk.

Single-use plastics are not the savior of the petrochemical industry, and investors would be wise to plan for a future away from SUP sooner rather than later.