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Suntory, Indorama and Iwatani partner to scale circular PET recycling in Thailand

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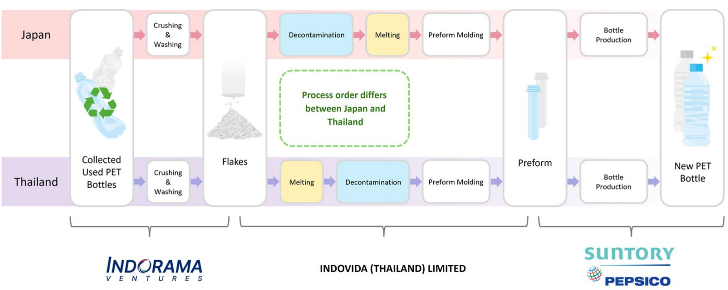
The company will deploy its FtoP technology from 2028 through a partnership with Indorama Ventures and Iwatani, supporting the production of around 400 million recycled PET preforms annually



Suntory Holdings is set to introduce its Flake-to-Preform Direct Recycling, or FtoP®, technology in Thailand from 2028, marking the first commercial deployment of the technology for PET bottles in Southeast Asia.

The initiative will enable the production of PET preforms directly from recycled PET flakes, supporting Suntory's broader efforts to reduce its dependence on virgin fossil-based plastics and accelerate the transition towards a circular packaging economy.

The project will be implemented through Indovida (Thailand) Limited, a joint venture established in July 2026 by Indorama Ventures PCL and Iwatani Corporation. The venture will produce PET preforms using FtoP® technology, with recycled PET flakes primarily supplied by Indorama Ventures.

Indovida is expected to have an annual production capacity of approximately 400 million PET preforms, all of which will be procured by Suntory PepsiCo Beverage (Thailand). Beginning in 2028, the recycled PET preforms will be introduced into products sold in Thailand.

The move represents a significant expansion of Suntory's circular packaging strategy beyond Japan and positions Thailand as a potential hub for advanced PET recycling in Southeast Asia.

Cutting Steps in the Recycling Process

Jointly developed by Suntory and three partner companies, including Japanese recycling company Kyoei Industry, the patented FtoP® technology enables PET preforms to be manufactured directly from recycled PET bottles.

Conventional PET recycling processes typically involve additional stages such as crystallisation and drying before recycled material can be converted into new preforms. By eliminating certain processing stages, FtoP is estimated to reduce COâ?? emissions by approximately 70 per cent compared with PET bottles produced from virgin fossil-based materials, based on calculations for Japan. Suntory has used the technology in the production of its soft drink PET bottles in Japan since 2018.

Adapting the Technology for Southeast Asia

Until now, wider deployment of the technology has depended on access to a stable supply of used PET bottles meeting specific quality requirements. Differences in collection and recycling infrastructure have made it more challenging to replicate the Japanese model in other markets.

To address this challenge, Suntory collaborated with equipment manufacturers NGR, Next Generation Recyclingmaschinen GmbH, and Husky Technologies to adapt the FtoP process to recycling conditions in Thailand.

The companies optimised bottle selection criteria and the decontamination process, allowing recycled PET bottles of varying quality to be processed while maintaining the quality and safety standards required for new PET preforms.

“A truly circular economy can only be built through collaboration across the value chain,” said Aloke Lohia, Group CEO of Indorama Ventures. “With Suntory Group and Iwatani Corporation, we are bringing together world-class innovation and expertise to make commercial-scale circular PET production a reality in Thailand.” The partnership, he added, could help position Thailand as a regional leader in circular packaging solutions while creating long-term environmental and economic value.

Building a Circular Packaging Ecosystem

Kenji Motoori, Director, Senior Managing Officer and General Manager of the Materials Business Group at Iwatani Corporation, said the initiative would support the commercialisation of FtoP technology in Thailand through the joint venture with Indorama Ventures and help ensure a stable supply of high-quality recycled PET preforms.

Suntory plans to explore the expansion of the technology into additional Southeast Asian markets following its implementation in Thailand.

“We see the introduction of this FtoP technology in Thailand as a significant step forward in expanding the adoption of sustainable PET bottles,” said Jun Asaki, Chief Sustainability Officer of Suntory Holdings.

The initiative supports Suntory Group's wider target of using recycled or bio-based materials for all its PET bottles globally by 2030 and eliminating the use of newly produced virgin fossil-based materials.

Under its 2R+B strategy, Reduce, Recycle and Bio, the company is pursuing measures including PET bottle lightweighting, bottle-to-bottle recycling and the increased use of recycled and bio-based materials.

With Thailand serving as the first Southeast Asian market for the commercial deployment of FtoP, Suntory's latest initiative highlights how partnerships between beverage companies, material producers and recycling technology providers are becoming increasingly important in scaling circular packaging solutions across Asia.