

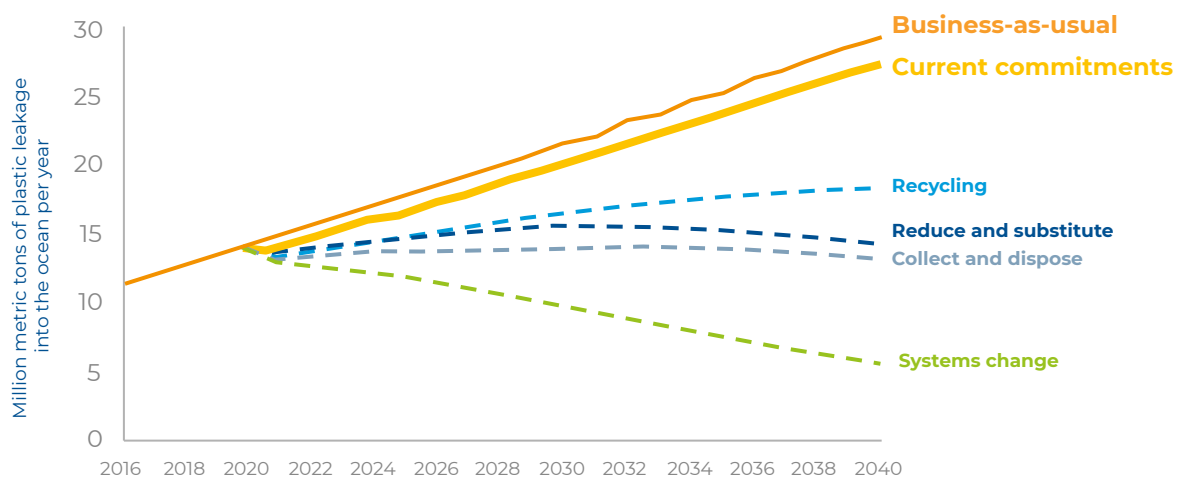
South Pole on Plastic Credits Project Development & Market Outlook

July 2021



Tackling global plastic pollution

A little less bad will not do the trick – current commitments are not enough



Land-based plastic leakage under different scenarios.
(Source: Breaking the Plastic Wave - Pew Foundation, 2020)

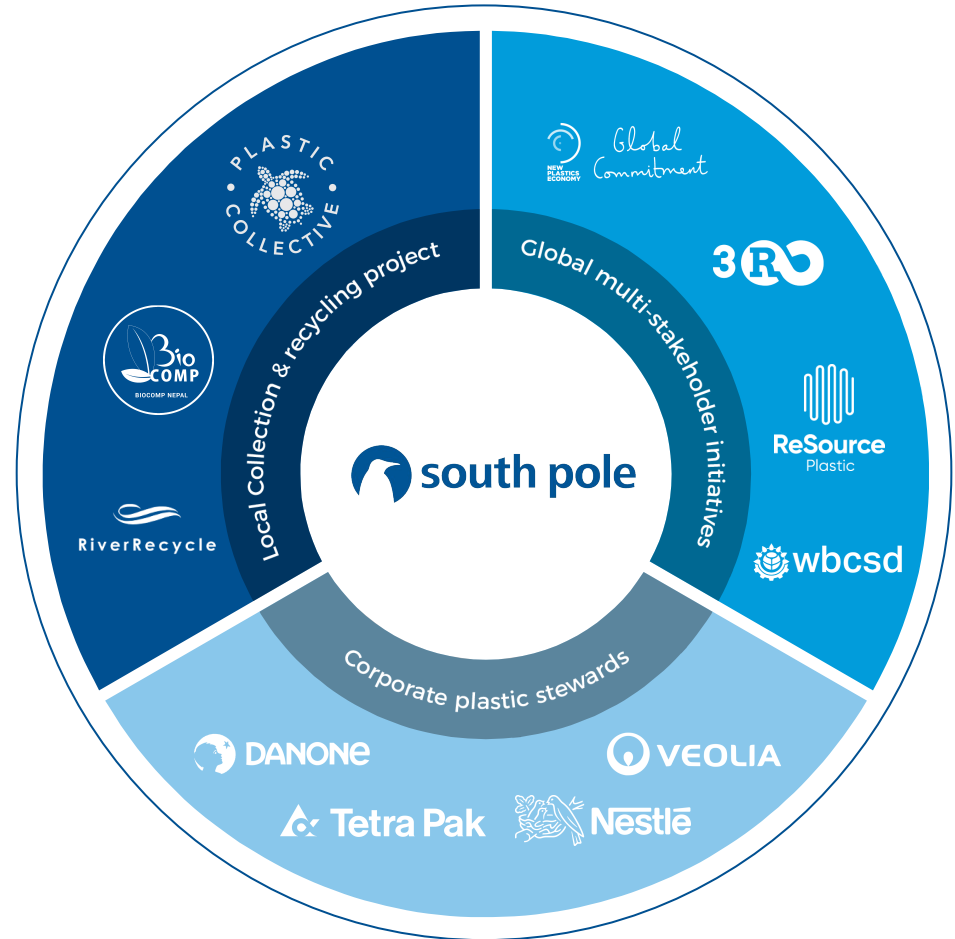
Current commitments from the industry and government policies achieve only a 7% reduction in plastic leaking into the ocean compared to a business-as-usual scenario.

[More info here](#)

Plastic credits enable an increase in the capacity of projects that collect and recycle plastic waste, reducing plastic leakage into the ocean.

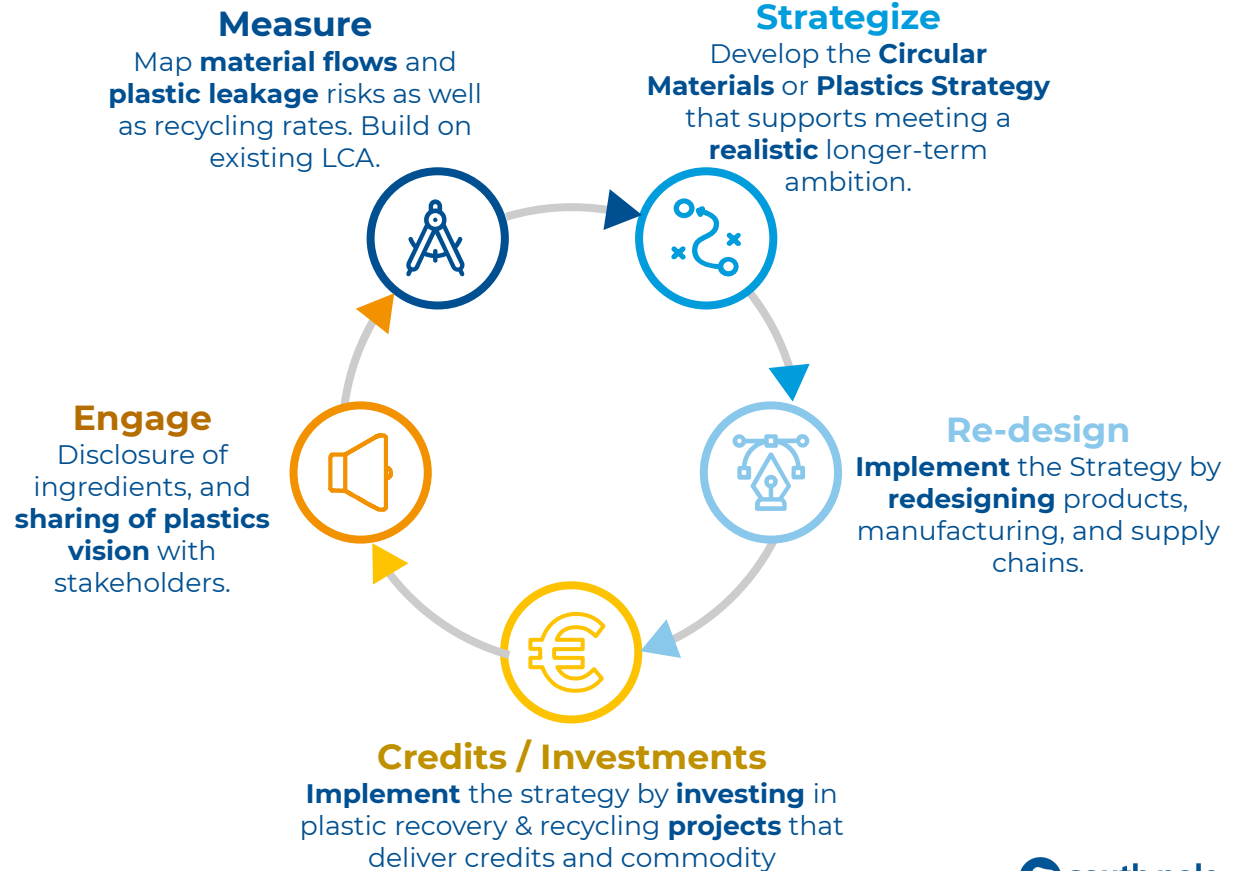
Aligned with all forces driving the transition

South Pole's support in tackling the plastics crisis rests on constant alignment across sectors, industries and along value chains. South Pole is involved in **private sector** stewardship, in **on-the-ground plastic projects**, and in supporting **initiatives** catalyzing solutions and actions that solve the plastic crisis.



Five steps to stewardship

South Pole can support you at any stage of your plastic journey



Financing Plastic Action

Connecting projects on the ground to corporate footprint



Plastic credits: connecting buyers & sellers

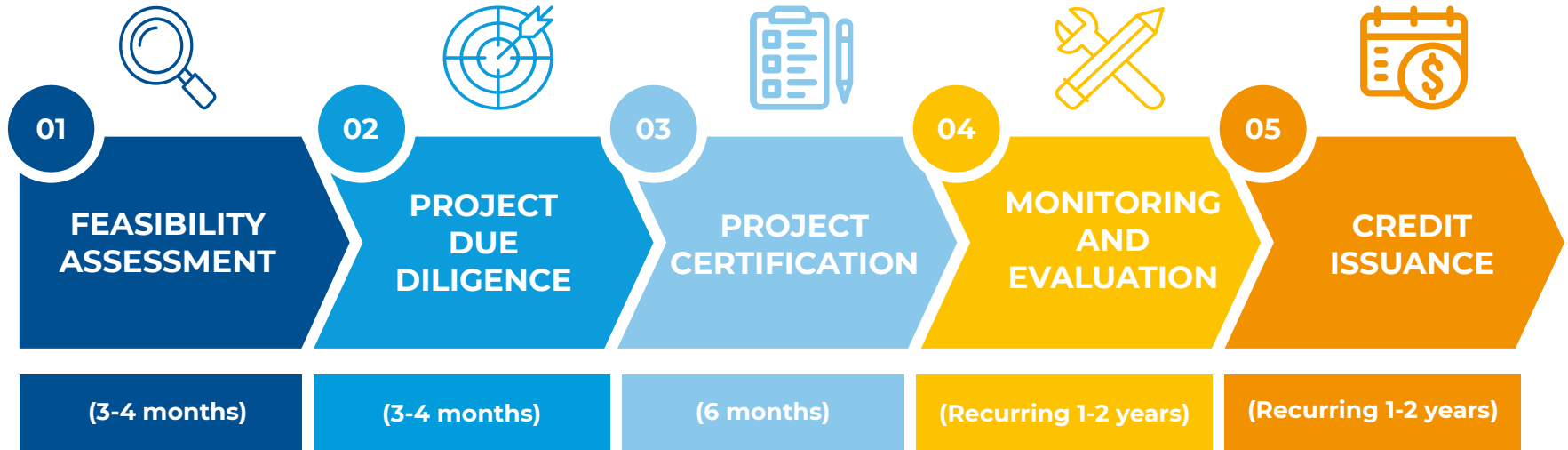
Investing in plastic waste reduction projects

Company X has chosen to invest in plastic waste reduction to promote the collection and / or recycling of plastic waste, in addition to their upstream activities.



Project Development

South Pole supports project owners in all phases of project development for plastic credit certification readiness and credit commercialization process under the selected Standard.



Plastic waste reduction standard



Two types of credits can be issued. Collection projects that go on to recycle plastic waste may be able to generate both types of credits.

Credit types



Waste collection credit

Representative of the environmental service of **recovering 1 tonne of plastic** from the environment and directing it to an appropriate final destination.



Plastic recycling credit

Representative of the environmental service of **recycling 1 tonne of plastic** that would not otherwise be recycled.



Plastic reduction & avoidance credit

to be developed

Basic requirements

Materials



PET



HDPE



PVC



LDPE



PP



EPS



Composite materials

Other

Net increase in collection and/or recycling of plastic 'waste'.

Additionality criteria and social and environmental safeguards to be met.

Match with **polymer type and region** of product use.

Eligible Project Types

Credit Type	Project Category	Project Types*
Waste Collection**	Environmental Cleanup	Riverine and water technologies <i>e.g. waste collection device, trash booms, litter traps, etc.</i>
		Community led cleanups
	Improved Waste Management	Household waste collection programs
		Formalized waste picker programs
		Deposit return schemes
Recycling	Recycling activities	Small scale mechanical recycling with community collection
		New industrial mechanical recycling facility
		Expansion of an existing mechanical recycling facility
		Chemical recycling facility - methodology in development

* Recommended project size above 150t/yr

** Collection projects include appropriate end-of-life treatment such as managed landfills, reuse, mechanical recycling, waste to energy, and chemical recycling.



What is the price of a plastic credit?



Prices estimated in a range between 200 EUR/ton to 800 EUR/ton

- ◆ Prices are indicative based on project operational and certification costs, and initial market assessment. Further market analysis needed
- ◆ Prices may vary depending on project type, size, location and secondary benefits
- ◆ The market is expected to be less liquid than carbon credits

Market trends

Two trends point to the growing market opportunity

Public scrutiny

Public scrutiny of brands that generate plastic pollution has continued to increase over the past decade. The media regularly showcases the impact of plastic pollution on the environment, health and society, with yearly audits by Break Free From Plastic Pollution revealing the top corporate plastic polluters.

Regulation

Governments around the world are increasing policies to accelerate plastic waste reduction. This includes regulation and initiatives for companies to directly take responsibility for the end of life management of their post-consumer products and packaging.

- National Policy and strategy on solid waste management (Presidential Regulation No. 97/2017) and Law on Waste Management No. 18/2008
- National Action Plan on Marine Debris (2017-2025)
- Developing regulation around plastic bag use, and **Extended Producer Responsibility** scheme

Developing a Plastics Credits Market



Accelerating the transition to a circular economy

Since 2019 the multi-stakeholder initiative **3R Initiative** has worked towards increasing the accountability of plastic waste reduction efforts by developing a new voluntary environmental market via two tools:



Guidelines for Corporate Plastic Stewardship

Published in February 2021, [the guidelines](#) provide a methodology for companies to measure their plastic footprint and account for mitigation activities to facilitate making leadership claims.

Mitigation actions include the use of plastic credits.



Plastic Waste Reduction Standard

The voluntary standard managed by Verra provides a project impact assessment framework that enables transparent accounting of plastic waste collected or recycled.

Projects undergo a third party audit and certification process, enabling transparency.

By driving financing to local projects, the crediting mechanism allows to scale-up plastic pollution mitigation efforts and boost the supply of recycled feedstock for the transition towards a local circular economy.

Contacts

Here to help you along your climate leadership journey



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THE CLIMATE IS CHANGING

ARE YOU?



Who we are

South Pole helps clients address climate change impacts, while mitigating risk and creating value on their sustainability journeys.

Innovative solutions

An award winning, 14-year history of providing sustainability solutions

Diverse expertise

Based in 19 offices, our team of 350+ sustainability advisors, scientists, and engineers are leading experts in their fields

Project developer

Largest developer of emission reduction, avoidance and removal projects globally

Our work



140,000

GWh of renewable
energy generated

That's
equivalent to
21 million
cars taken off
the roads



+2 trillion

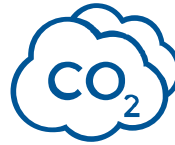
in investments
screened for
climate risk
(EUR)



+700

carbon emission
reduction projects
developed

Over
100,000
jobs
created



+170 million

metric tonnes of
carbon dioxide
reduced

€15 billion

invested to
advance
renewable
energy

2 million

hectares of
forests
protected

Pictured: South Pole's Kariba
Forest Protection Project in
Zimbabwe

Our global reach

South Pole has a presence and direct experience working on carbon, water, and forest projects in countries around the globe. There is the possibility to expand the scope of work into countries of relevance.

