



# PLASTIC CREDITS WITH SOUTH POLE

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November 2022





# PLASTIC CREDITS WITH SOUTH POLE

The transition from a linear to a circular economy will require multiple adaptations to our current systems. One such adaptation is the **development of low emission regional infrastructure to collect and recycle plastics.**

South Pole partners with, and develops, **projects that collect and recycle plastic waste** around the world. Our projects are additional, meaning that they enhance the capacity of existing regional waste management infrastructure. All projects are audited by third parties on transparency, environmental and social integrity. Impact is measured under international best practice standards.

We offer the opportunity for companies to fund collection and recycling as part of their environmental mitigation activities. The impact is held in a **plastic credit**, a transferable environmental certificate representing one tonne of plastic waste collected or recycled.

This brochure offers an opportunity to finance plastic collection or recycling projects related to polymers used, volumes and regions of sale.



# THE PLASTIC PROBLEM EXPLAINED

## Plastics are not all bad

Plastic has long been the world's favourite packaging material. Lightweight, flexible, hygienic and inexpensive, plastic extends product shelf life and emits less greenhouse gas emissions than typical alternatives such as aluminium or glass, during production and transportation.

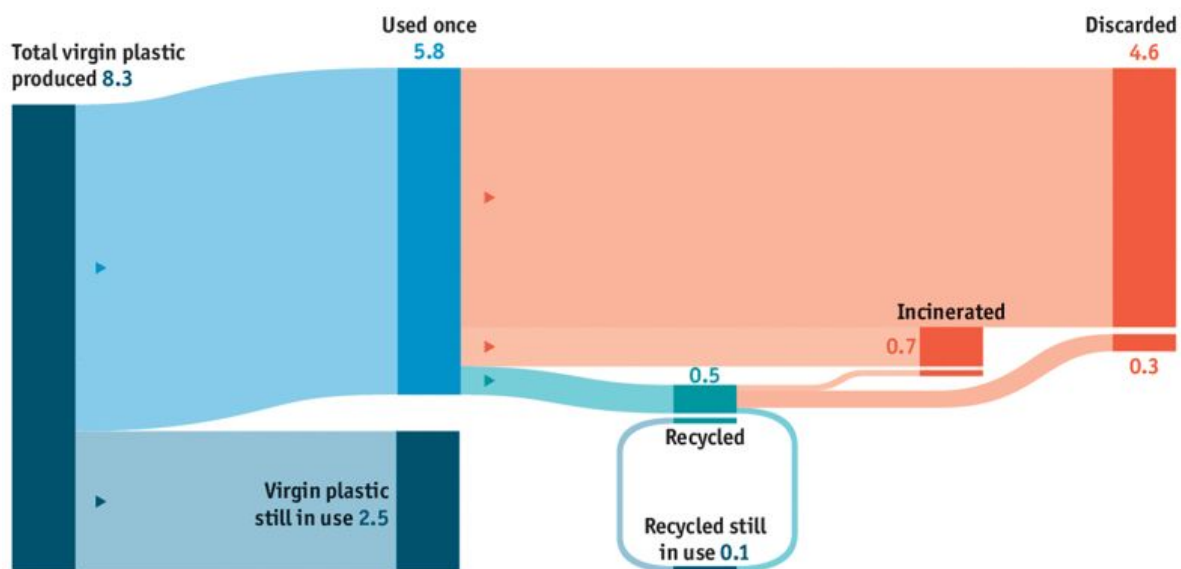
## However,

despite the widespread usability of plastic, **its environmental impact is highly problematic.** Plastic may leak from the technosphere into the natural environment, accumulating in marine ecosystems. There is extensive scientific evidence on the impact of plastic pollution not only on marine ecosystems, but also terrestrial ecosystems, human health, and quantified economic losses. (Bucci et al, 2020)

Since plastic was created in the 1950s, around 8.5Gt of plastics have been produced. The image below shows the fate of these plastics. More than half of the volume ever produced currently sits in landfills or the natural environment. Only 9% of all plastics ever produced were recycled.<sup>1</sup> To achieve circularity, plastics must be prevented from entering the natural environment and repurposed into new materials to stay in the economy.

## The end of all things

Global plastic production and use, 1950-2015, tonnes, bn



Source: "Production, use, and fate of all plastics ever made" by R. Geyer et al., *Science Advances*

Economist.com

Plastic waste management costs are still not borne by the brands creating the waste. While plastic remains a cheap packaging material, there is a serious lack of funding available to build and scale the necessary global recycling infrastructure. Our current system does not adequately account for plastic's recovery. Brands and companies producing and using plastics should reduce as much as possible, and simultaneously support the increase in plastic waste infrastructure.

<sup>1</sup>The Economist

Bucci, K., Tulio, M., & Rochman, C. M. (2020). What is known and unknown about the effects of plastic pollution: A meta-analysis and systematic review. *Ecological Applications*, 30(2), e02044.

# WHAT ARE PLASTIC CREDITS?

The extensive impact of plastic waste is driving pressure for companies to address waste and create a circular economy for plastics. To achieve change at the pace and scale required, multiple interventions are needed. Plastic credits are a financing tool that can act as a much needed catalyst in the transition to a circular economy. They add value to plastic waste management projects, enabling the scale-up of collection and recycling infrastructure, while also supporting community development.

**1 CREDIT**  
**=**  
**1 TONNE**

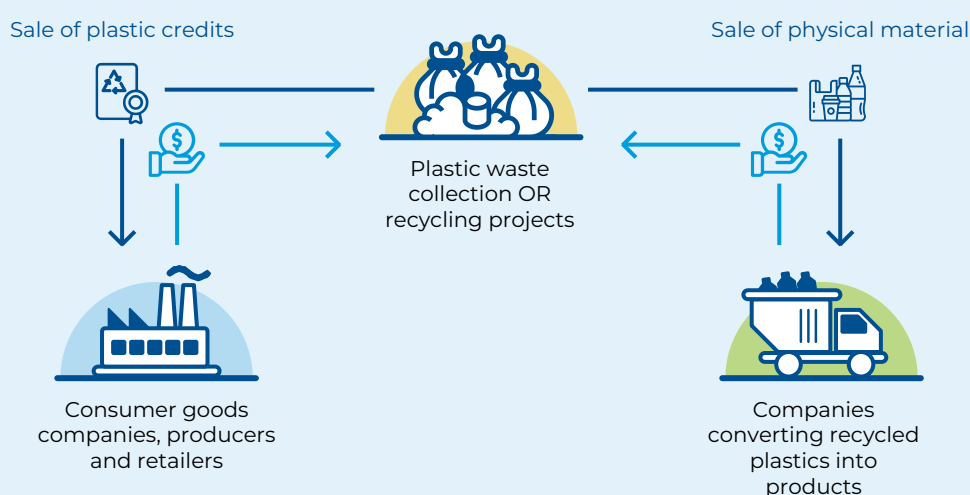
of additional plastic  
collected or recycled

A plastic credit is a certificate representing the environmental service of one metric tonne of plastic waste removed from the environment, or recycled. There are two credit types: Collection credits and Recycling credits.

Plastic credits can be bought by any public or private organisation to finance plastic action beyond their supply chain.

This organisation can then use the plastic credit as part of their plastic footprint reduction and mitigation strategy to reduce plastic waste in the environment.

## HOW DO PLASTIC CREDITS WORK?



**The project** collects or recycles plastic waste. The credits are bought by **voluntary buyers**.



**The voluntary buyer** purchases the plastic credits. The revenue flows back to **the project**, and the money can be used to finance and expand project activities.

# PROJECT REQUIREMENTS

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South Pole supports projects to be certified under internationally recognised standards. This includes the **Verra Plastic Waste Reduction Standard**, which provides a consistent and reliable **plastic project impact accounting framework**. Furthermore, based on best practice guides, ISO 14064-2:20199 and ISEAL Credibility Principles, all South Pole projects must adhere to the principles below.

## Real



Proven to have genuinely taken place.

## Additional



The project must not be able to be built or operate without the revenue from plastic credits. The project must go beyond regulatory requirements.

## Measurable



Quantifiable, using recognised measurement tools against a credible plastic waste reduction baseline. Adjustments must be made for uncertainty and leakage.

## Verifiable



An independent, third-party auditor must verify the plastic waste reductions. The auditor must be accredited under one of the approved standards in the sector in which the project is taking place.

## Permanent



Credits must represent permanent plastic waste reductions. Where projects carry a risk of reversibility, at minimum, adequate safeguards must be in place.

## Unique



Only one plastic credit can be associated with a single reduction of one tonne of plastic waste—no double counting. Plastic credits must be stored and retired in an independent registry.

# WHY BUY PLASTIC CREDITS FROM SOUTH POLE

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## We're doing things differently

South Pole advises companies on how to address their plastic footprint, from measurement to reduction and mitigation. We work with our clients to identify projects that will contribute to real change on the ground and enable them to meet their plastic targets through certified plastic credits.

### Mitigate the unavoidable plastic waste within your plastic footprint

By financing certified impacts and taking responsibility for your products and packaging. A credible mitigation strategy means financing infrastructure in regions where non-processed waste occurs, and addressing the same or similar plastic polymer.

### Accelerate change for the circular economy

Be a frontrunner by supporting initiatives in your region to close the gap on plastic waste management capacity. South Pole advises clients to first measure and reduce their impact, before mitigating with Plastic credits as part of a wider circular economy strategy.

### Prepare for the future

In certain countries, plastic credits can be applied to meet mandatory requirements of Extended Producer Responsibility (EPR) legislation. Plastic credits can also be applied as a voluntary, internationally standardised mechanism for companies that wish to go above and beyond regulatory requirements and take responsibility for their plastic waste.

### Support local communities

By prioritising projects that are located in your key markets, your company can help to build regional capacity to address plastic waste. South Pole selects projects that transform plastic waste management in their local economy and we strive for projects with multiple win-wins (e.g. plastics, biodiversity, energy use and livelihoods).

### High quality credits and projects



The following slides exemplify South Pole's portfolio of projects that align with best practice standards and principles. South Pole can support with the selection of suitable projects and the identification of new projects to align with your footprint for future years. The listed projects are at varying stages of development and certification. For specific timelines, please enquire directly.

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# **FINANCE PLASTIC ACTION**

**AFRICA**

# AFRICA-BASED PROJECTS

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**TAKA TAKA RECYCLING**  
Kenya – 5000 tonnes per year  
Recycling & collection credits



NAIROBI, KENYA

# Taka Taka recycling

## INCREASING LOCAL RECYCLING CAPACITY FOR CIRCULARITY

Waste management in Kenya is largely unregulated, unmanaged, and unsafe. A colossal 2,400 tonnes of waste is produced in Nairobi every day, 20% of which is plastic<sup>1</sup>. Of the waste generated by the city, only 45% is recycled, reused, or transformed into material that can be of economic value. On top of the environmental impacts, overflowing waste dumps pose a humanitarian risk, with air, water, and soil contamination leading to severe health issues for local communities. Moreover, waste-picking jobs at dumpsites are dirty, dangerous, and low-paying.

The Taka Taka Recycling project, meaning 'garbage' project in Swahili, aims to transform Kenya's plastic waste value chain for good. In addition to collecting directly from Nairobi households and businesses, the project engages local waste pickers to remove valuable plastics from improperly managed dumpsites across Kenya while providing fair compensation and benefits, including health checkups, PPE, and childcare. Once collected, waste is taken to a central recycling facility in the city where it is sorted, washed, and recycled into flakes and pellets sold to local plastic manufacturers. With this process, TakaTaka Solutions, the project partner, ensures a second life for 95% of waste.

Establishing the infrastructure for the recycling of single-use and flexible plastics is key in Kenya's journey toward eradicating plastic pollution in the country. By proactively dealing with over 5,000 tonnes of plastic waste each year, the initiative both improves living conditions in Kenya and preserves the health of marine and terrestrial ecosystems. Employing around 550 local workers, the project accelerates Kenya's green economy while providing critical income security and social benefits to waste pickers.

<sup>1</sup>[World Bank statistics](#)



**5000 t/y**  
collected & recycled



**700**  
employees

Material types: **PET, HDPE, PP, LDPE**

More information [here](#)

Collection  
credits

Recycling  
credits



02



# FINANCE PLASTIC ACTION

ASIA

# ASIA-BASED PROJECTS

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## PROJECT SECOND LIFE

Thailand – 150 tonnes collection and 1500 tonnes recycling per year<sup>1</sup>  
Collection and recycling credits



THAILAND

# Second Life

## RECOVERING OCEAN BOUND AND LAND-BASED PLASTICS

Thailand's islands and remote areas face a wave of plastic waste, being ranking among the top locations struggling with marine plastic pollution, globally.

Plastic waste is a growing concern across Thailand's islands and rural areas, where funding for waste management infrastructure is limited and costs to transport waste for disposal are high. With limited resources, open burning of waste is common.

The Second Life project removes plastics from the environment, and reprocesses plastic waste by providing financial incentives and infrastructure in Ranong, Krabi and Chiang Mai.

Plastics that would otherwise become waste are collected by informal and formal waste workers who receive above market rates for collecting plastics and appropriate disposal.

The project invests in the development of local recycling infrastructure and end markets for recycled plastics.

Local communities are also invited to participate in awareness-raising activities and collection programmes.

Limited number of collection credits available immediately



**Plastic Waste Reduction Standard**  
A VERRA STANDARD



**150-1500 t/y**  
Collected and recycled



**Environmental cleanup**



Material types:  
**PET, HDPE, LDPE, PP, PS, Polyilac, Nylon, ABS, PVC**

Market procured project

Collection credits

Recycling credits



03



# FINANCE PLASTIC ACTION

AMERICAS

# AMERICAS-BASED PROJECTS

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## PLASTIC SMART CITIES

Colombia – 560 tonnes per year  
Collection & recycling credits



# Plastic Smart Cities

## SCALING PLASTIC WASTE NETWORKS AND ACCELERATING THE GREEN ECONOMY IN COLOMBIA

Proliferation of plastic waste has become increasingly severe in Colombia, with the recent COVID-19 pandemic compounding this issue to an all time high. Plastic carried to the sea by rivers that flow through central Colombian cities can be seen piling up along the shores of the Caribbean. However, plastic waste collection and recycling services are limited in Bogota and surrounding areas.

The Plastic Smart Cities project aims to tackle Colombia's plastic problem by establishing a formal recycling network across multiple cities. Plastic waste is collected from households and events, then sent to the project's own sorting and recycling centre. This enables the scale up and expanded range of plastic waste that can be collected and recycled in Colombian cities.

Implemented by a Colombian social enterprise, the project contributes to the local economy, ensuring a strong network of waste management practices while helping build resilient infrastructure, promoting sustainable development and fostering innovation.



**560 t/y**  
collected & recycled



**50**  
jobs

Material types: **PET, HDPE, LDPE, PS**

More information [here](#)

Collection  
credits

Recycling  
credits

# KEY SUSTAINABLE DEVELOPMENT GOALS IMPACTS

All projects listed contribute to the four Sustainable Development Goals (SDGs) below. Besides cleaning up the environment and improving the circularity of plastics, especially in countries where infrastructure is lacking, plastic projects can provide benefits to local communities, including fair wages, decent working conditions and social benefits such as health insurance, schooling and more.

## 8 DECENT WORK AND ECONOMIC GROWTH



**Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all** by creating sustainable alternative livelihoods through increased employment and income for local communities.

## 11 SUSTAINABLE CITIES AND COMMUNITIES



**Make cities and human settlements inclusive, safe, resilient and sustainable** by improving waste management systems and engaging local communities in land-based waste segregating activities.

## 12 RESPONSIBLE CONSUMPTION AND PRODUCTION



**Ensure sustainable consumption and production patterns** by guaranteeing that plastic waste makes its way to recycling centres, where it can then be properly managed.

## 14 LIFE BELOW WATER



**Conserve and sustainably use the oceans, seas and marine resources for sustainable development** by avoiding plastic pollution flowing into the ocean, thus protecting fish health, and marine ecosystems.

# SOUTH POLE PLASTIC ACTION LABELS



## Background

South Pole labels help companies and organisations demonstrate their commitment to limiting plastic pollution and increasing plastic's circularity. The following explains the labels' philosophy, guiding principles and the concrete steps and requirements that organisations need to follow to be awarded a South Pole plastic action label. The labels can be achieved on a product or company level, depending on the scope covered in the plastic journey.

The following section describes the steps a company has to take in order to qualify for a South Pole plastic action label.



### Step 1: Measure

Account for total plastic usage, waste mismanagement and recycling rates on a regional level



### Step 2: Set reduction targets and re-design

Set ambitious plastic reduction targets and implement product redesign improvements to increase the product's recycling potential and reduce the risk of waste mismanagement



### Step 3: Finance

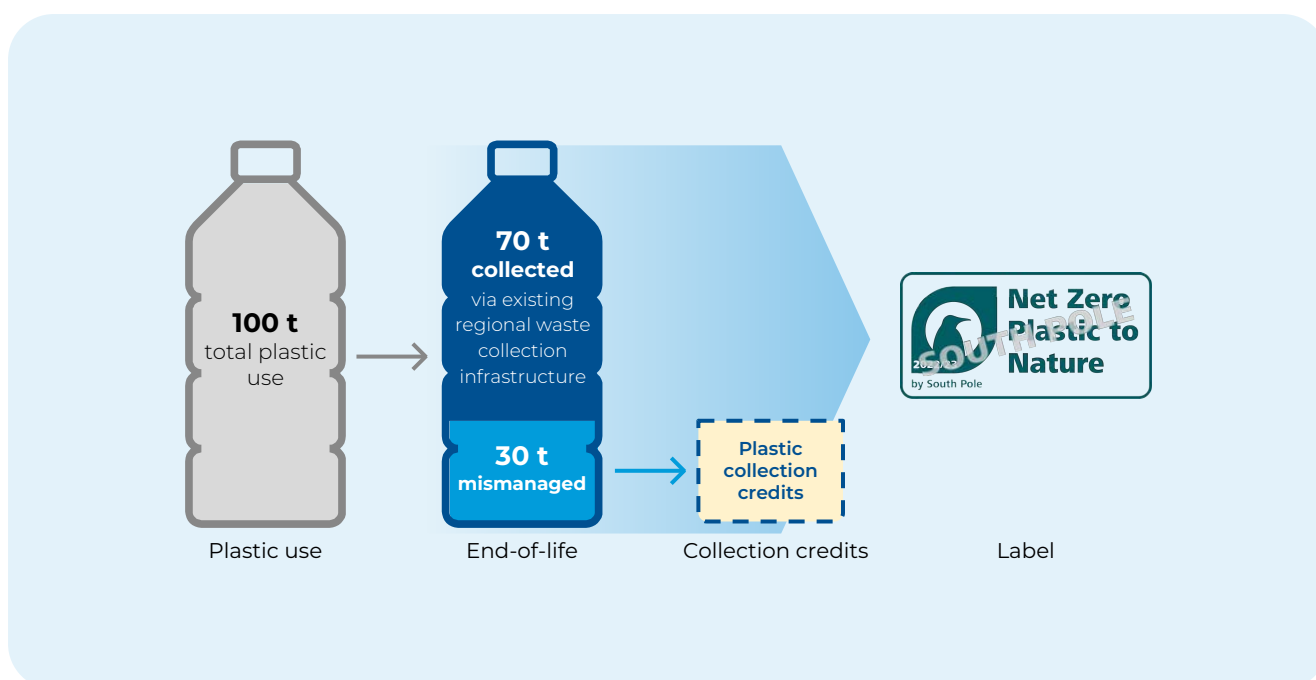
Invest in plastic action by financing regional plastic waste recycling and/or collection infrastructure and activities through **plastic credits** in your target markets





## What does the 'Net Zero Plastic to Nature' label consider?

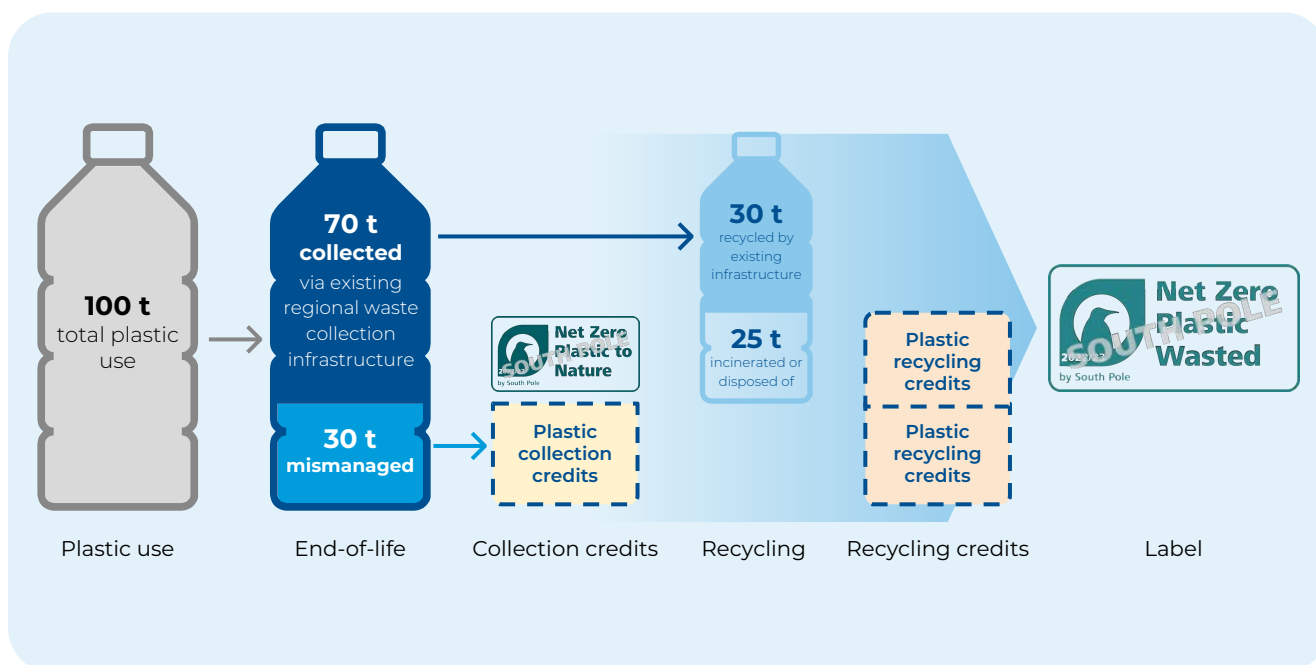
The 'Net Zero Plastic to Nature' label is used by organisations that can demonstrate that they have assessed and **publicly disclosed their plastic footprint estimates and reduction strategy** and that the total volume of plastic they sell and use is **collected**, resulting in net zero plastic leakage into the natural environment. This is demonstrated by proof of waste collection and management being equivalent to the total weight of the company's plastic waste generation. When existing infrastructure does not cover the regional plastic waste generated, plastic waste collection credits can be used to finance additional waste collection. Finance should be directed to plastic waste collection activities that are located in the same markets, and address the same polymers as far as possible. Reliance on beyond-value-chain mitigation activities should reduce over time.





## What does the 'Net Zero Plastic Wasted' label consider?

The 'Net Zero Plastic Wasted' label is used by organisations that can demonstrate that they have assessed and **publicly disclosed their plastic footprint estimates and reduction strategy** and that the total volume of plastic they sell and use is **collected and recycled**. This is demonstrated by proof of waste collection and recycling, equivalent to the plastic waste generated by the company. When existing waste management infrastructure does not cover the regional generated plastic waste, waste collection credits can be used to prove investment in additional waste collection. When existing infrastructure does not cover regional or polymer-specific plastic recycling, plastic recycling credits can be used to prove investment in additional waste recycling. Location and polymer type concerning the waste collection and recycling activities must match with the products of the plastic footprint mitigated. Reliance on beyond-value-chain mitigation activities should reduce over time.



# MOVING FORWARD

**If you are interested in learning more about plastic credits or any of the projects listed in this brochure, please reach out to us via email or the Google Form provided on the next page.**

Once we receive your request, South Pole's circular economy team will reach out to further understand your interest and needs. The diagram below outlines the steps we will follow.

The listed projects are at varying stages of development and certification. For specific timelines, please enquire directly.



Whether you are ready to buy plastic credits, or ready to build your plastic mitigation strategy, South Pole can help you on your circularity journey.

## Ready to buy

South Pole can advise you on projects that are undergoing certification or are already certified. Issuance of credits from certain projects is expected in late 2022 or 2023. South Pole can advise you on what to do if your preferred project will not issue credits in this timeline.

## Ready to build

Several of the projects presented in this brochure are at a pre-certification or early stage of registration and require confirmation of interest for development. These projects are particularly suitable if you are beginning your plastics and circularity journey. South Pole can also support you in identifying additional projects that will help you to meet your targets in future years. It is recommended that you engage with us early so that we can support you, for example, 12–18 months in advance.



# INTERESTED? REACH OUT!

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**Nicole Schlemmer**

Consultant, Circular Economy  
Amsterdam



REACH OUT VIA EMAIL



REACH OUT ON LINKEDIN



BOOK A 15-MINUTE MEETING



**We are interested in plastic credits!**

This is legally non-binding. We will contact you.



**We are not interested.**

Please let us know why.



THE CLIMATE IS CHANGING

**ARE YOU?**