



PLASTIC CREDITS: EVALUATING THE OPPORTUNITIES AND BENEFITS OF PLASTIC CREDITS IN A CIRCULAR ECONOMY

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AGENDA



Current State of Plastic Credit Systems



Best Practices for Standards and Claims



Corporate Participation in Plastic Credit Systems



Review of Select Credit Systems and Marketplaces



Takeaways

SECTION

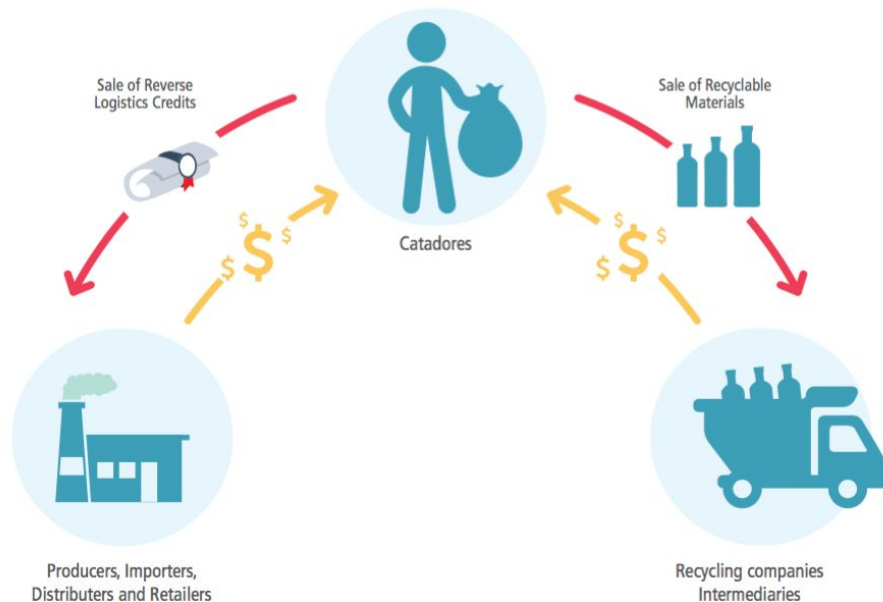
01

**CURRENT STATE
OF PLASTIC
CREDIT SYSTEMS**

THE ORIGIN OF CREDITS TO SUPPORT RECYCLING

- Concept developed by BVRio and implemented in Brazil in 2013 – the Reverse Logistics Credits program.
- Market mechanism to help companies demonstrate compliance with their Extended Producer Responsibility (EPR) obligations while rewarding the catadores (waste pickers) for their role in collecting and sorting recyclable waste.
- Basic system with marketplace to trade credits. No reference standard. Remuneration of catadores based largely from sale of material.
- Demonstrated economic benefit to informal sector but impact on improving capacity of informal sector or growing recycling is limited.

Source: BVRio Institute 2017



Focused on the collection, sorting and aggregation of recyclable materials, not just plastic.

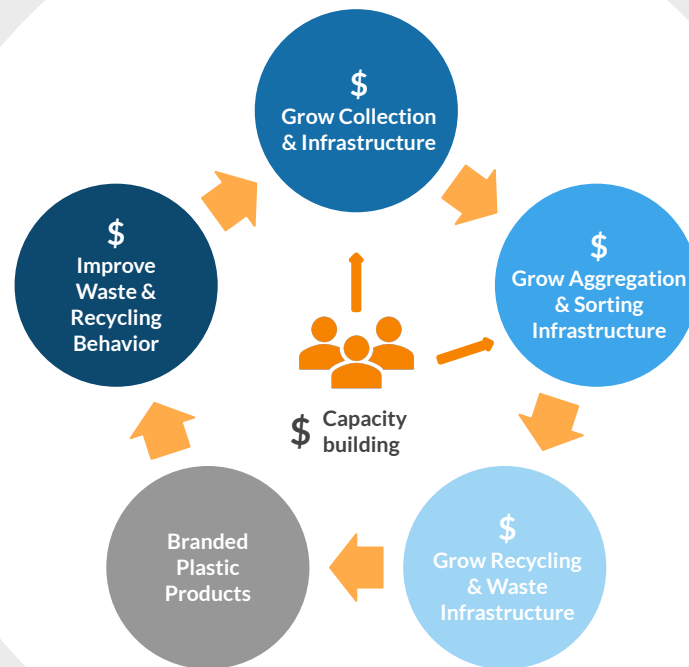
THE VISION FOR PLASTIC CREDITS 2.0

A voluntary funding mechanism to improve the management and grow recycling of plastics by:

- Growing the collection of plastics especially low-value and/or mismanaged plastics.
- Growing infrastructure to sort/aggregate plastic, especially low-value/mismanaged plastics.
- Growing infrastructure for recycling and/or improved waste management.
- In India and Southeast Asia, the informal sector is the “infrastructure.” Capacity building within informal sector is essential to improve and grow systems.

Source: BVRio Institute 2017

Vision for Plastic Credit Financing

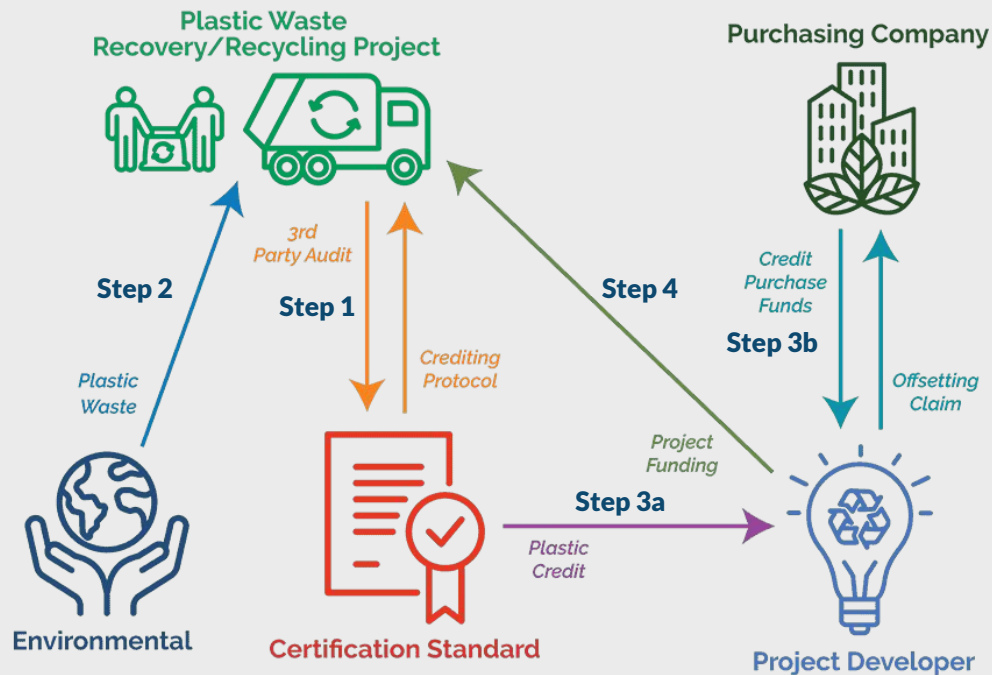


HOW PLASTIC CREDITS WORK

1. A “project” is qualified by a third party against a known protocol or standard to assure that it is creating additional impact on the collection, recycling or managing plastic waste beyond the local status quo.
2. Once certified as eligible, a project that collects plastic waste for recycling or management is tracked and volumes reported from source to disposition.
3. Plastic Credits (unit representing a specific quantity - typically 1 tonne) of plastic can be generated against additional volumes and sold to buyers who may or may not want to make a claim.
4. Funds from credits are used to cover costs of project and ideally improve systems.

Source: ClineCo

PLASTIC CREDIT CREATION



THE CURRENT LANDSCAPE

To date, most plastic credits are generated from projects that remove mismanaged plastics from the environment (e.g., clean ups).

- These projects are important, impactful, and typically additional.
- Plastic collected from the environment is rarely suitable for recycling, so it is generally sent for reprocessing or co-processing for use as a fuel.
- Credits help compensate informal workers for collecting this material and improve lives.
- Credits help offset expenses associated with aggregating and transporting material.
- Credits help pay processing fees.
- However, impact on addressing foundational causes of mismanaged plastic and growing recycling is low.



Photo Credit : TONTOTON.com

“All rescued orphan plastics are transferred to the co-processing treatment facility to be used as energy for cement kilns.”

- TONTOTON

DISCONNECT BETWEEN THE VISION AND THE REALITY OF PLASTIC CREDITS

- Immaturity of waste and recycling systems in emerging markets and severity of plastic mismanagement.
- Immediate need to focus on social impact, esp. during Covid-19.
- Low influence of informal sector on local government and investment in improved solutions for collection and sorting of recyclables and waste management.
- Organizations developing projects need to cover costs and have limited influence on local government or leverage to transform waste and recycling management systems.
- Quality of collected plastic is mixed, recyclables may or may not be removed and best management is use in alternate products or co-processing.
- Bootstrapping startup culture of organizations doing this work and lack of a global standard as models developed has led to a proliferation of proprietary claims and certifications as a funding model.

Organizations Focused on Projects that Generate Plastic or Waste Credits



WHAT HAVE BEEN THE CONCERNS OVER PLASTIC CREDIT SYSTEMS?

- Abundance of proprietary standards with variable requirements.
- Proliferation and credibility of claims and certifications.
- Lack of global standard to harmonize definition of plastic credits and best practices for projects issuing them.
- Lack of transparency and independent validation of how projects are qualified and how additionality is defined.
- Lack of chain of custody from source to final disposition.
- Lack of independent validation of methodology and accounting (equivalency of plastic collected to plastic offset).
- Lack of transparency on how credits are managed to ensure they are retired to avoid double counting or misuse.
- Lack of capacity building within informal sector.
- Effectiveness of plastics credits to address foundational causes of plastic mismanagement and scale recycling systems.



WHAT ROLE CAN PLASTIC CREDIT SYSTEMS PLAY IN ASIA?

What they can't do

- Addressing the fundamental causes of plastic mismanagement and significant scaling of recycling systems will not be solved by plastics credit systems.

What they can do

- They are a voluntary, immediate, market-based, incremental step to address locally mismanaged plastics, and to a lesser degree support circular supply chains. Credits are likely to have greater impact where the informal sector is more organized and supply chains are more formalized.
- Drive investment into infrastructure both human and otherwise to address critical local waste and recycling system deficiencies provide a proving ground for more effective solutions.¹

What we've learned from carbon credit systems

- The lesson of carbon trading is that credits systems are a useful tool to engage business, raise awareness, and activate local action and drive impact, but they are not a mechanism for systemic and transformational change. That requires policy and significant political and market will.



MOVING IN THE RIGHT DIRECTION

How credit systems are addressing concerns

Positive Trends

- Movement towards adoption of more transparent standards (e.g., Plastic Collective, Parley for the Ocean adopting Verra's Plastic Waste Reduction standard). Others are aligning around ISEAL best practices for standards (e.g., rePurpose Global and Plastic Exchange).
- The role and wellbeing of informal workers is included in some standards and is increasingly a focal point within projects and project reporting. Social benefit of programs often has equal emphasis as environmental impact, esp. during Covid-19. It is driving more robust reporting.
- Increased transparency and third party tracking of material and financial reporting.
- Growing focus on the need for infrastructure investment and more direct mechanisms to do so (e.g., Plastic4Change).
- Increased harmonization around the meaning and use of Plastic Neutral claim and offsetting approach.

What still needs work

- Harmonization of claims.
- Today most credits are for end of pipe solutions and face significant challenges to drive circular solutions.
- Investment in organizing and capacity building within the informal sector.
- Continuous system improvements and investment in infrastructure.
- Linkage to government and influencers focused on systemic solutions.

SECTION

02

**BEST PRACTICES
FOR STANDARDS &
CLAIMS**

STANDARDS DEVELOPMENT

Best Practices for Credit Systems



Traceability & Verification

- Credible plastic credit systems need to have a third-party audit or validation processes in place to track the source and amount of the plastic waste that is being collected/recycled.
- They also need to track the plastic credit from point of generation to retirement (e.g., chain of custody, blockchain).
- Entities that issue and/or trade credits need to undergo a full auditing process by a third-party to ensure that offsets are accurate.

Additionality

Projects/programs eligible to issue plastic credits need to demonstrate alignment with a standard but also demonstrate improvements to the waste or recovery system to ensure that collection, recycling and capacity continue to grow.

Environmental & Social Safeguards

Projects/programs need to maximize environmental and social benefits and minimize to the highest degree any adverse impacts.

Supplemental

Plastic credits should be considered supplemental support for when companies/brands lack viable actions for reducing their waste footprint. They should not be considered a replacement for other activities.

ISEAL compliance is crucial to credible crediting standards development.

WWF's position paper on plastic credits identifies standards adherence to the ISEAL Credibility Principles as the best assurance of safeguards, transparency, and stakeholder participation.



THE LANGUAGE OF PLASTIC CREDITS

Claims Definitions and Related Terms

CLAIMS	DEFINITIONS
Ocean Bound Plastic	Ocean Bound Plastic (OBP) is plastic waste defined as “at risk of ending up in the ocean”. It includes a small fraction of commercially recyclable plastic waste and a lot of non-commercially recyclable plastic waste. (OBPCert.org)
Plastic Neutral; Ocean Bound Neutral (OBP Neutral)	Plastic Neutral is the most common claim and can be applied at the company, brand, product, or event level. Plastic offsets representing the kilograms of plastic waste collected/recycled is credited against a calculated plastic footprint. Some programs consider the equivalency of plastics collected against the plastic footprint. Large footprints are typically verified by a third party. PCX requires a 3-year commitment for all claim levels except events.*
Plastic Negative	Both PCX and rePurpose Global offer a Plastic Negative certification. To use this claim, a brand must offset an amount of plastic waste equivalent to twice the amount of plastic waste produced by the brand in a year (i.e., they must recover and recycle 200% of their plastic footprint). PCX requires a 3-year commitment for all claim levels except event.
Plastic Positive; Ocean Bound Plastic Positive (OBP Positive)	Plastic Bank offers a Plastic Positive certification to anyone who purchases credits equivalent to 168kg of recovery. This certificate can also be purchased as a gift. The OBP Plastic Producers Standard's requirement for using the OBP Positive claim is that an organization must purchase the amount of credits \geq 120% of their OBPN Scope.
Certified Plastic Impact	Some programs allow companies/brands to make plastic impact claims even if they don't meet the plastic neutral criteria. Plastic Bank's Certified Plastic Impact is achieved through their Plastic Impact Program that allows companies to offset a fixed amount of ocean-bound plastic which doesn't equal their plastic waste footprint.
Impact Guarantee	This type of certification is an eco-labeling program (rePurpose Global offers an Impact Guarantee Program). Criteria is usually in the realm of 1-for-1 impact promises that are marketed to consumers (e.g., “for every product sold, X brand guarantees that they will eliminate 1lb of plastic waste from the environment.”)
Recycled Content; Supporting Investments in Recycling	Labels are eligible for companies who achieve RMS certification. RMS labels relay information about the type of recycled materials used and whether the claim refers to the product or packaging. For example, a product may be able to use an RMS label that says "RMS: 35% post-consumer recycled content" or "RMS: Supporting investments in recycling."
Net Zero Plastic Leakage; Net 100% Recycled at EOL; Net Circular Plastic	While there are no claims directly associated with Verra's Plastic Standard, the 3R Initiative (3RI) did develop principles ("Guidelines for Corporate Plastic Stewardship") for using claims and recommended that these claims could be used with the Plastic Standard.

*Note: Plastic Exchange will be announcing a revised claim in 2022 along with a revised standard

OVERVIEW OF STANDARDS

STANDARD	STANDARD HOLDER	FOLLOWS ISEAL BEST PRACTICES	ALLOWS "PLASTIC NEUTRALITY" CLAIMS	REQUIRES ADDITIONALITY	THIRD-PARTY AUDIT OF ORGANIZATION PURCHASING CREDITS	REQUIRES CREDITS TO BE IN A REGISTRY	REQUIRES SAFEGUARDS FOR RESPONSIBLE SOURCING	ENTITY REQUIRED TO RETIRE CREDITS
Plastic Waste Reduction Standard (Plastic Standard, 2021)	Verra	Yes	<ul style="list-style-type: none"> No (Refer to 3RI's Guidelines for Corporate Plastic Stewardship) 	Yes	No**	<ul style="list-style-type: none"> Yes Verra registry 	Yes	End user
Plastic Pollution Reduction Standard (PPRS, 2022)	PCX	N/A	<ul style="list-style-type: none"> Yes Plastic Neutral Plastic Negative 	Yes	Yes	<ul style="list-style-type: none"> Yes PCX Registry 	Yes	Once the plastic credit is registered on the blockchain ledger, it is considered retired
Recovered Materials Standard (RMS, 2021)	GreenBlue	Yes	No	Yes	No	<ul style="list-style-type: none"> Yes ARC Registry 	No	End user of ARCs. ARCs must be retired within the generation year or subsequent calendar year
The Plastic Neutral Standards (2021)	rePurpose Global	No Principles informed by ISEAL Credibility Principles	<ul style="list-style-type: none"> Yes Plastic Neutral Plastic Negative Impact Guarantee 	Yes	Yes	<ul style="list-style-type: none"> Yes rePurpose Global's Registry is not publicly accessible. 	Yes	rePurpose Global retires credits on behalf of the owner
Circular Credits Standard (CCS, 2020 - updated 2021)	BVRio	No	Only if "complementary measures are put in place" (e.g., 3RI's Guidelines for Corporate Plastic Stewardship).	Yes	Yes	<ul style="list-style-type: none"> Yes Circular Action Hub public registry 	<ul style="list-style-type: none"> Yes. Specifies fair remuneration and "do no harm." 	End user who makes a claim
OBP Plastic Producers and Users Standard (2021)*	Zero Plastic Oceans	No	<ul style="list-style-type: none"> Yes OBP Neutral OBP Positive OBP labels 	No	Yes	<ul style="list-style-type: none"> Yes Zero Plastic Ocean's Registry 	Yes	Original purchaser or ZPO directly must retire credits once they are used against an OBP Neutral or OBP Positive claim

*The OBP Neutralization Services Provider Standard is for entities collecting / treating non-commercially recyclable OBP who want to generate and sell OBP Credits. Organizations operating under the OBP Neutrality Certification Subprogram like Plastics for Change and TONTOTON had to become OBP Certified and meet this standard before they could develop projects generating OBP credits. The OBP Plastic Producers and Users Standard is for entities purchasing OBP Credits who would like to make a claim of OBP Neutrality.

**Verra requires a third-party audit of project results.

OTHER BEST PRACTICES OF CREDIBLE PLASTIC CREDIT SYSTEMS

- Harmonization across systems and geographies.
- Impactful capacity building with informal sector through demonstrated systems (i.e., social footprinting).
- Social and environmental metrics.
- Independence of standard from claims.
- Sensitivity to local waste and recycling environment.
- Transparency on how funds are allocated.
- Impact reporting.

Verra – The Plastic Waste Reduction Standard

Applicability

Is a globally applicable standard that can be applied by a project anywhere in the world that can meet the requirements of the standard and the applied methodology.

Project validation process

After the third-party audit process, Verra conducts a high-level review to ensure projects comply with the Plastic Standard. Safeguards and additionality testing are major components of the certification process.

Additionality

"A project activity is additional if it can be demonstrated that the activity results in collected or recycled plastic waste that is in excess of what would most likely have occurred in the absence of the project activity and the activity would not have occurred in the absence of the incentive provided by the plastic crediting mechanism."*

*The [methodologies approved under the Plastic Program](#) describe the three ways a project may demonstrate their activity is additional.

THE VERRA PLASTIC WASTE REDUCTION STANDARD

Project undergoes
3rd-party audit

Verra conducts review of
project

If eligible, project
becomes registered and
can generate plastic
credits

Plastic credits may be
traded through the Verra
platform

Plastic credits are retired
by end user

WASTE TYPE TARGETED

- Waste plastic in the environment and waste plastic for recycling.

TARGET AUDIENCE

- Organizations looking to develop projects intended to establish and/or scale plastic waste management collection and recycling systems.
- Verra emphasizes that companies should prioritize strategies that reduce/eliminate plastic from their value chain and invest in improved infrastructure through plastic credits to ensure that plastic stays out of the environment and stays in the circular economy.

STANDARD

- Plastic Waste Reduction Standard (Plastic Standard).
- Developed through a collaborative, ISEAL aligned standard setting process and open to public comment.

HOW CREDITS WORK

- One plastic credit represents one metric ton of plastic that is collected or recycled, which meets additional eligibility requirements.
- Two types of Plastic Credits may be issued: Waste Collection Credits (WCCs) and Waste Recycling Credits (WRCs).
- Credits are purchased by an entity that is a registry account holder and are issued by projects operating within the scope of the Plastic Standard and applied methodology. Project results are verified through 3rd-party audit.

CLAIMS

- Verra's plastic credit system does not govern the claims that are made using the credits issued under their program.

REGION(S) CREDITS ARE APPLICABLE

- Any project that passes the audit process and the Verra review are valid.
- Current programs are in Asia and Oceania.
- According to the Verra registry there are projects in the pipeline based in the US, Senegal, Australia, and the Dominican Republic.

SECTION

03

**CORPORATE
PARTICIPATION IN
PLASTIC CREDIT
SYSTEMS**

HOW DOES CORPORATE PARTICIPATION IN PLASTIC CREDIT SYSTEMS ADVANCE CORPORATE GOALS?

Plastic Credits and Recycled Content

- Today most plastic credits are associated with removing plastic from the environment as an offset to using plastic. This aligns with goals to eliminate plastic waste from the environment. As a result, most of the economic benefit is flowing to those involved in collection and disposition.
- The generation of plastic recycling credits is well aligned with corporate recycling goals but more challenging to achieve. The opportunity is growing and has immense opportunity as more projects related to recycling plastics emerge.
- One challenge is that brands (end market for recycled plastics) do not purchase material. They purchase converted packaging and specify recycled content. Aggregators, brokers and reclaimers purchase material. The end market demand is not translated efficiently to collection and sorting activities. To more effectively drive recycling and content goals, Plastic Credits need to be generated for the correct plastics and align with end markets.
- Plastic Credits are based on a valued attribute. Today those attributes are Plastic Waste Collected or Plastic Waste Recycled, but not the attribute of Recycled Content. These distinctions are important as they relate to generation of credits at different points in the supply chain and different types of goals. The RMS ARCs standard does offer credits with a recycled content claim that directly relate to corporate goals and desired content claims.



IDENTIFIED PROJECTS IN PUBLIC REGISTRIES

PROGRAM	ORGANIZATIONS WITH REGISTERED PROJECTS
Verra Registry	<p>As of Mar. 18, Second Life is the first to be fully registered and receive credits.</p> <p>Pending:</p> <ul style="list-style-type: none"> Starboard Co. Ltd. Parley for the Oceans Terra Carbon Pty. Ltd. (GreenCollar) Danone Aqua Indonesia
PCX Registry	<ul style="list-style-type: none"> GenerationHope Century Pacific Food Nestlé Unilever PepsiCo brands Colgate-Palmolive Take Root Food Corner Peanut Butter and Co. USA Touchland US.
GreenBlue ARC Certificate Registry	<ul style="list-style-type: none"> Arqlight Granite Peak Plastics LLC
Circular Action Hub Registry	<p>CAH currently has more than 111 projects registered, with 11 projects currently generating credits.</p> <ul style="list-style-type: none"> PREVENT Waste Alliance BVRio Reflexa

PROGRAM	ORGANIZATIONS WITH REGISTERED PROJECTS
rePurpose Global Status of registry unknown	<p>More than 25 partners including:</p> <ul style="list-style-type: none"> Google Vita Coco Credit Suisse Nature's Logic Safe Catch
CleanHub Partners	<ul style="list-style-type: none"> Fuchs Gruppe Flash Coffee Vuori Noughty 97% Natural Simpli Home Share Puremetics SamebutGreen
Plastic Bank Partners	<p>More than 25 partners including:</p> <ul style="list-style-type: none"> SC Johnson Henkel Metro
Plastics for Change Partners	<ul style="list-style-type: none"> Body Shop Garnier Bunzl Cosnova Beauty

HOW DO YOU OVERLAY CREDIT SYSTEMS & EPR IN EMERGING MARKETS?

How can credit systems help or hinder improvement?


Improving recovery systems with the revenue from plastic credits

- Ideally, plastic credits should ensure that increasingly more waste is being collected and responsibly disposed.
- This is why additionality requirements are crucial for effective and credible plastic credit systems.
- Plastic credits can improve recovery systems by driving investments towards collection systems and new recycling infrastructure, making it easier for producers to find solutions for their waste.
- Using the Plastic Standard, regulators could let producers use plastic credits as an alternative to paying EPR fees as long as the funds went directly to projects that collect and recycle plastic waste.¹

Where they can go wrong

- If an EPR policy says that producers may use plastic credits to fulfill EPR obligations but provides no other guidance or additional requirements, then plastic credits will not improve systems and Producers will be incentivized to only purchase credits and not engage in any other waste reduction/recovery activities.
- EPR policies need to reflect local market realities – immature and inefficient supply chains – and carefully consider how to connect the use of credits to system improvements.

Source: 1) Verra, n.d.



For EPR and plastic credits to work effectively together, an EPR policy needs explicitly clear guidelines for how and in what cases plastic credits may be used by producers to fulfill obligations.

SECTION

04

**REVIEW OF SELECTED
CREDIT SYSTEMS AND
MARKETPLACES**

OVERVIEW OF SELECT CREDIT PROGRAMS

ORGANIZATION / PROGRAM	WASTE TARGETED	STANDARD & ISEAL PROCESS	CREDITS	THIRD-PARTY VERIFICATION	CLAIMS / CERTIFICATIONS	TRADABLE CREDITS & REGISTRY	CREDIT TO WASTE UNITS (METRIC UNITS)	REGION(S) PROGRAM IS ACTIVE*
Verra: Plastic Waste Reduction Program	Plastic that would enter the environment or not normally be recycled	<ul style="list-style-type: none"> Plastic Waste Reduction Standard (Plastic Standard) ISEAL 	<ul style="list-style-type: none"> Waste Collection Credits Waste Recycling Credits 	Yes	<ul style="list-style-type: none"> None* Plastic Program guide includes requirements for claims using the Plastic Standard. 	<ul style="list-style-type: none"> Tradable Verra Registry 	<ul style="list-style-type: none"> 1 credit = 1 ton waste (plastic) 	<ul style="list-style-type: none"> Asia and Oceania
Plastic Credit Exchange (PCX)	Plastic that would enter the environment	<ul style="list-style-type: none"> Plastic Pollution Reduction Standard (PPRS) Aligning with Plastic Standard 	Plastic offset credit	Yes	<ul style="list-style-type: none"> Plastic Neutral Plastic Negative Plastic-Free 	<ul style="list-style-type: none"> Not tradable PCX Registry 	<ul style="list-style-type: none"> Plastic credits purchased = amount of waste to offset (by weight) 	<ul style="list-style-type: none"> SEA US
Plastic Bank	Ocean-bound plastic	N/A	Social Plastic Collection Credits	N/A	<ul style="list-style-type: none"> Certified Plastic Neutral Certified Plastic Impact 	<ul style="list-style-type: none"> N/A No public registry 	<ul style="list-style-type: none"> 1 credit = 1 kg OBP Fixed price: \$0.50 = 1 credit 	<ul style="list-style-type: none"> Haiti Egypt Brazil Indonesia Philippines
rePurpose Global	Low-value plastics and plastics that would otherwise not be collected	<ul style="list-style-type: none"> The Plastic Neutral Standards Verified Protocol. 	Plastic offset credit	Yes	<ul style="list-style-type: none"> Plastic Neutral Plastic Negative Impact Guarantee 	<ul style="list-style-type: none"> N/A rePurpose Global platform – not public 	<ul style="list-style-type: none"> 1 credit = 1kg of plastic waste collected and processed 	<ul style="list-style-type: none"> Global Africa Asia South America
TONTOTON	Ocean-bound plastic in the environment	OBP Plastic Producer and Users Standard	OBP Credit	Yes	<ul style="list-style-type: none"> Plastic Neutral 	<ul style="list-style-type: none"> Not tradable Zero Plastic Oceans Registry ClimeCo 	<ul style="list-style-type: none"> 1 OBP credit = 1kg of low-value OBP 	<ul style="list-style-type: none"> Vietnam

*Refers to 3RI's Principles for Corporate Plastic Stewardship.

OVERVIEW OF SELECT CREDIT PROGRAMS

ORGANIZATION / PROGRAM	WASTE TARGETED	STANDARD & ISEAL PROCESS	CREDITS	THIRD-PARTY VERIFICATION	CLAIMS / CERTIFICATIONS	TRADABLE CREDITS & REGISTRY	CREDIT TO WASTE UNITS (METRIC UNITS)	REGION(S) PROGRAM IS ACTIVE*
Plastics for Change	Ocean Bound Plastic PET/HDPE, LDPE/PP for EPR	<ul style="list-style-type: none"> OBP Certified Guaranteed Fair Trade 	<ul style="list-style-type: none"> Plastic offsets EPR credits 	No. Plastics for Change responsible for verification process of EPR credits.	<ul style="list-style-type: none"> Direct offset impact certificate and product labels Plastic Neutrality certificate and product labels Collection Centre Adoption – Offset certificate and product labels 	No (Certificate only)	For every \$0.60 = 1 kg of ocean bound plastic collected	India
Waste4Change	Ocean-bound waste	None	Waste credit	None	<ul style="list-style-type: none"> No claims Certificate of waste processing 	<ul style="list-style-type: none"> N/A Enterprise Resource Planning (ERP) platform/app 	1 credit = 1kg of waste footprint	Indonesia
The Plastic Collective	Plastic waste in the environment	Verra Plastic Standard	Plastic offset credit	Yes	Plastic Neutral	<ul style="list-style-type: none"> Tradable Verra Registry 	1 credit = 1 ton of plastic collected / recycled	Asia-Pacific
GreenBlue	All types of waste that can be reprocessed	<ul style="list-style-type: none"> Recycled Material Standard (RMS) ISEAL 	<ul style="list-style-type: none"> Attributes of Recycled Content Certificates (ARCs) 	<ul style="list-style-type: none"> Yes 	<ul style="list-style-type: none"> "Recycled Content" label "Supporting Investments in Recycling" label 	<ul style="list-style-type: none"> Tradable ARC Registry 	<ul style="list-style-type: none"> 1 ARC = 1 ton of recycled material Pricing determined by market value 	North America
CleanHub	"Non-valuable" plastic waste in coastal regions	Clean Hub Code of Conduct based on global labor stds (SA800, Fair Labor Assoc, Ethical Trade Initiative)	Plastic offset credit	<ul style="list-style-type: none"> No Track and track through App 	Plastic Neutral	<ul style="list-style-type: none"> No CleanHub app tracks waste recovered 	1 credit = 1 ton of plastic waste collected and recovered	Asia

OVERVIEW OF SELECT CREDIT PROGRAMS

ORGANIZATION / PROGRAM	WASTE TARGETED	STANDARD & ISEAL PROCESS	CREDITS	THIRD-PARTY VERIFICATION	CLAIMS / CERTIFICATIONS	TRADABLE CREDITS & REGISTRY	CREDIT TO WASTE UNITS (METRIC UNITS)	REGION(S) PROGRAM IS ACTIVE*
PREVENT Waste Alliance	<ul style="list-style-type: none"> Any type of waste collected from the environment Plans to include organic waste 	Circular Credits Standard (CCS)	Circular Credits Mechanism (CCM)	CCM team or third party verifies project compliance	<ul style="list-style-type: none"> Companies are only allowed to make specific post-consumer waste pollution mitigation claims that are substantiated.* May not use "plastic neutral," "waste offset," etc.** 	Circular Action Hub	1 credit = 1 metric ton of waste collected	<ul style="list-style-type: none"> Brazil India Mexico Vietnam
BVRio	Waste Packaging (e.g., PET, aluminum cans, glass)	Circular Credits Standard (CCS)	Reverse Logistics Credits – for EPR compliance	The cooperatives undergo independent verification	<ul style="list-style-type: none"> Companies are only allowed to make specific post-consumer waste pollution mitigation claims that are substantiated.* May not use "plastic neutral," "waste offset," etc.** 	<ul style="list-style-type: none"> Yes Circular Action Hub 	<ul style="list-style-type: none"> 1 credit = 1 metric ton of waste collected 	Brazil
BVRio	Any waste that is improperly discarded.	Circular Credits Standard (CCS)	Credits associated w/ relevant standard	CCM team or third party verifies project compliance	<ul style="list-style-type: none"> Companies are only allowed to make specific post-consumer waste pollution mitigation claims that are substantiated.* May not use "plastic neutral," "waste offset," etc.** 	<ul style="list-style-type: none"> Yes Circular Action Hub 	1 credit = 1 metric ton of waste collected	<ul style="list-style-type: none"> Brazil Is global in scope

*Substantiated using approaches such as WWF's Principles for Credible Plastic Credit Claims." (Accioly, Pojum, and Costa 2021)

**May only use such claims as "plastic neutral" if "complementary measures are put in place" (e.g., 3RI's Guidelines for Leadership in Corporate Plastic Accounting). (Accioly, Pojum, and Costa 2021)

PLASTIC CREDIT MARKETPLACE PLATFORMS

- Organizations like rePurpose Global, CleanHub and ClimeCo are built to connect companies looking to offset their plastic footprint to projects generating plastic credits.
- Circular Action Hub, an initiative of BVRio, is an online platform that connects project developers (including projects generating plastic credits) with investors/buyers. Currently have more than 100 projects listed.
 - Voluntary standards they recognize: 1) Circular Credits Standard, 2) Plastic Waste Reduction Standard, and 3) Ocean Bound Plastic Standard.
 - Projects Registry: For project developers (i.e., where you'll find details of projects including plastic credits for purchase).
 - Transactions Registry: For FMCGs and investors to keep track of credits purchased and retired.
 - Currently has more than 100 projects listed.
- EcoEx is the first Indian digital platform for plastic crediting purchasing/trading.
- Producers, brands, importers, and brokers can find waste management service providers (i.e., recyclers and co-processors) to purchase credits from to fulfill their obligations in new EPR provision of the updated Plastic Waste Management Rules, 2016.



business.repurpose.global/



climeco.com



circularactionhub.com



ecoex.market

SECTION

05

KEY TAKEAWAYS

KEY TAKEAWAYS OF PLASTIC CREDIT SYSTEMS



Plastic Credit Standards

Growing adoption of ISEAL best practices within standards is improving transparency and accountability within credit systems.



Plastic Credits and Claims

Plastic credit claims are numerous, inconsistently defined and confusing. Plastic Neutral is the dominant claim today.



Plastic Credits and Corporate Goals

The current state of plastic credits is not strongly driving plastic recycling or content goals within the region today.



Capacity Building and the Informal Sector

Standards are increasingly addressing the livelihood and wellbeing of informal workers but work remains to comprehensively address responsible sourcing and capacity building.



Plastic Credits and Better Systems

Limited progress in developing improved recovery infrastructure through plastic credits to date due to limited influence, focus and financial capacity of project developers.



End of Life Management

There is a gap between the market demand for recycled content by brands and the focus of many plastic credit projects which are focused on removing plastic waste from the environment and proper disposal of it, not recycling.



Business Models

Expectations for the impact of plastic credits to improve waste and recycling systems should be modest until significant project finance is available. Today revenue from credits and claims can be foundational to operating budgets and typically not sufficient to finance new infrastructure.

THANK YOU



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