



CIRCULATE CAPITAL

Circulate Capital Invests in “Prevented Ocean Plastic Southeast Asia” to Expand Recycling Infrastructure and Prevent Plastic Pollution in Indonesia

- **Prevented Ocean Plastic Southeast Asia intends to set up best-in-class collection and recycling infrastructure to coastal communities that have limited or no collection today**
- **Partnership plans to develop new supply chain model to meet the growing global demand for high-quality, traceable recycled plastic, while preventing plastic pollution and creating a reliable income for local communities**

Singapore, 11 January 2022: Circulate Capital, the Singapore-based investment management firm that finances innovations, companies, and infrastructure to prevent the flow of plastic waste into the world’s oceans and advance a carbon neutral circular economy, today announced that the Circulate Capital Ocean Fund (CCOF) is investing in Prevented Ocean Plastic Southeast Asia. This plastic waste collection and recycling company is pioneering and testing an innovative supply chain model for the management of plastic waste.

A unique partnership between PT Polindo Utama (Polindo), Bantam Materials Ltd (Bantam Materials) and Circulate Capital, Prevented Ocean Plastic Southeast Asia commits to strategically expand recycling infrastructure to underserved communities across Indonesia to prevent plastic leakage and support local livelihoods. The company’s ambition is to develop a scalable and sustainable model that sets the standard for industry best practice in Southeast Asia by leveraging:

- Polindo’s 20 years of experience on the ground in establishing and managing plastic collection and aggregation infrastructure;
- Bantam Materials’ access to premium markets and expertise in governance and traceability via its proven Prevented Ocean Plastic program; and
- Circulate Capital’s strategic investment and expertise in scaling innovation and driving growth.

With more than 124 million people – 45 percent of Indonesia’s population – living outside of the country’s economic centre in Java, and with more than 17,000 islands, it’s generally too expensive and difficult to collect waste from islands outside of the main population centers. The investment from CCOF will fund a network of 12 new high-volume collection centres and three new aggregation centres to be established in select coastal communities in need across Indonesia, with a particular emphasis on Kalimantan and Sulawesi islands.

Prevented Ocean Plastic Southeast Asia will combine the unique strengths of each partner to deliver localized infrastructure providing certified and traceable premium quality recycled plastic to global markets, driving environmental, social and economic value from the bottle collector to the end consumer. Its model aims at streamlining logistics processes and enabling the pooling of collection volumes to maximize efficiency and reduce costs. Furthermore, the centres will be underpinned by the [Prevented Ocean Plastic](#) program’s market-leading collection and recycling process. Prevented Ocean Plastic Southeast Asia will produce traceable recycled PET (rPET) that complies with international standards and is trusted by global brands.



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Over a 10-year period, the venture estimates it will help prevent 400,000 tonnes of plastic from entering the ocean, avoiding [800 000 tonnes of GHG emissions](#) while also creating 1,000 direct jobs and supporting new income opportunities for thousands of bottle collectors.

“The reality of trying to collect plastic waste across 17,000 islands has compounded the plastic pollution crisis in Indonesia -- there are just too many logistical challenges and complexities within the recycling value chain,” explained **Rob Kaplan, Founder and CEO, Circulate Capital**. “We are excited to invest with Prevented Ocean Plastic Southeast Asia to build a unique network of collection and value-addition to efficiently address those challenges and meet the ready offtake market for high quality and traceable recycled plastic. This project has the potential to be a blueprint for best-in-class recycling and circular economy infrastructure across Southeast Asia.”

Indonesia’s rapid population growth and economic development is contributing to an exponential increase in plastic consumption. While the plastic waste management and recycling systems in the major wastesheds of Jakarta and Surabaya on Java Island are relatively established, smaller cities in Java and other islands across Indonesia lack efficient collection and recycling infrastructure, resulting in high levels of plastic pollution and greenhouse gas emissions. 72 percent of Indonesia’s total plastic pollution originates in rural regions and small-to medium-sized cities, yet collection rates in rural and remote regions are only 20 percent or less¹.

Commenting on the announcement, **Daniel Law, CEO, Polindo**, said, “We are proud to take our long-term partnership with Bantam Materials to the next level thanks to Circulate Capital’s support. This partnership will enable us to develop waste collection infrastructure to meet the growing demand for traceable plastic while also supporting in need communities outside of Java. We believe there is an opportunity to overcome and optimize the complex collection and sorting logistics in remote areas of Indonesia, and in doing so, deliver better income opportunities and incentive models that help mobilize informal waste collection and reduce the plastic that enters the ocean.”

Raffi Schieir, Director of Bantam Materials UK, said, “Prevented Ocean Plastic Southeast Asia has the opportunity to deliver substantial impact for in need communities across Indonesia who have never had access to recycling infrastructure. There is already an increasing global demand for high-quality, traceable plastic as governments in Europe and international markets mandate the use of recycled plastic in packaging and products. By developing this infrastructure in line with the international quality and governance standards and following the fully traceable and trusted Prevented Ocean Plastic programme, we can lead the charge to transform Indonesia’s plastic waste management industry, prevent ocean plastic at scale and foster greater social and financial inclusion.”

Prior to receiving funding, the Prevented Ocean Plastic program established a flagship collection centre in Bali to trial the business model. To date, the centre has delivered benefits through job creation, plastic collection at scale and improved livelihoods of the waste workers and their community.

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¹ [World Economic Forum, Radically Reducing Plastic Pollution in Indonesia: A Multistakeholder Action Plan, National Plastic Action Partnership, April 2020](#)



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For more information, please contact:

Asia Inquiries:

Baldwin Boyle Group
Stella Tan, +65 9177 4692
Stella.Tan@baldwinboyle.com

Europe Inquiries:

Forster Communications
Olivia Martins, 07710 986406
Olivia@forster.co.uk

Molly Downes, 07765 993047
Molly@forster.co.uk

About Prevented Ocean Plastic Southeast Asia

Prevented Ocean Plastic Southeast Asia is a plastic recycling company pioneering locally customized sorting and collection infrastructure to underserved communities across Indonesia. We are committed to strengthening the supply chain and scaling solutions for the management of plastic waste in the country. The result of a partnership between PT Polindo Utama, Bantam Materials Ltd and Circulate Capital, we leverage the expertise of all three companies to provide practical solutions for improving the recycling supply chain in Indonesia and provide high quality traceable recycled plastic to global markets to drive environmental, social and economic value from the bottle collector to the end consumer.

About [Circulate Capital](#)

Circulate Capital is an investment management firm that finances innovations, companies and infrastructure to prevent the flow of plastic waste into the world's oceans and advance a carbon neutral circular economy in emerging markets. It mobilizes catalytic capital to invest across the entire plastic value chain, from innovative materials to advanced recycling technologies. It aims to prove that investing in the sector can generate competitive returns, while preventing plastic pollution, mitigating climate change, and improving livelihoods. It was created in collaboration with Ocean Conservancy, and its founding investors include PepsiCo, Procter & Gamble, Dow, Danone, Chanel, Unilever, The Coca-Cola Company, Chevron Phillips Chemical Company LLC, and Mondelēz International.

About [Polindo Utama](#)

Polindo Utama was established in 2005 as a pioneer in the manufacture of recycled PET flakes in Indonesia. Since being founded, the company has grown to encompass divisions and sister companies that extend from PET Flakes Manufacturing to Recycling Management, Transport, Logistics and Recycled Packaging. We stand at the forefront of innovation in the plastic recycling industry in Indonesia.

About [Bantam Materials Ltd](#)

Bantam Materials supply Prevented Ocean Plastic as part of its mission to solve recycling supply problems by providing manufacturers, retailers and consumers with better plastic choices. A recycled materials supply business committed to sustainability; Bantam Materials developed the market-leading Prevented Ocean Plastic programme. It is a member of SEDEX and the Ethical Trading Initiative and uses certification organisations, such as OceanCycle, to ensure product traceability within strict labour and environmental standards. Established over 15 years ago, Bantam Materials, together with its brand and manufacturing partners, prevent over a billion bottles each year from entering our natural environment.