

PET recycling: No time to waste

IN A CIRCULAR ECONOMY, RECYCLABLE PLASTIC PACKAGING IS A SOLUTION, NOT A PROBLEM, SAYS INDORAMA VENTURES

Littering, illegal dumping and mismanagement of waste are polluting our oceans. People are rightfully demanding solutions, and nowhere is this more evident than in packaging. Better waste collection and recycling are within our grasp, and we have no time to waste.

The solution is the circular economy. An idea formulated in the late 1980s, the circular economy can be summed up as “make-use-recycle.” Resources are managed responsibly to make products and packaging that can be remade and reused. Sadly, most of the world is still stuck in the linear economy of “take-make-waste.” Our environment and future generations demand better.

Few have taken this challenge more seriously than Indorama Ventures or IVL. The Bangkok-based multinational is the leading global recycler of plastic beverage bottles.

“Sustainability and responsible business are not just slogans to us,” says founder and Group CEO Alope Lohia. There is an answer, he says, and the material in all those bottles – PET, or Polyethylene Terephthalate – is actually part of it.

That's because PET is fully recyclable. And to create the circular infrastructure to ensure PET bottles are recycled, Indorama Ventures is partnering with the World Economic Forum's Global Plastic Action Partnership (GPAP) and The Recycling Partnership in America.

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“IVL's global presence, fully integrated model and decades of recycling know-how means they are uniquely placed to close the loop for PET plastic,” said Ms. Kristin Hughes, GPAP Director and Member of the Executive Committee at the World Economic Forum. “Together we can drive high-potential solutions to improve collection, sorting and recycling – to ensure that plastic never ends up as waste.”

Recognizing this, Indorama Ventures adopted a circular economy approach more than a decade ago. Since 2011, when it acquired its first recycling plant, the firm has recycled over 63 billion PET bottles. Few consumers realize that PET bottles are commonly recycled and have a lower carbon footprint than alternative beverage packaging



ALOPE LOHIA
Founder & Group CEO,
Indorama Ventures



KRISTIN HUGHES
GPAP Director & Member
of the Executive Committee
at the WEF



KEEFE HARRISON
Founder & CEO of
the Recycling Partnership

materials such as glass or aluminum*. Dealt with sustainably, PET fits perfectly into a circular economy.

Those 63 billion recycled bottles were just the start. IVL is investing \$1.5 billion to build and expand the recycling facilities needed for a circular economy for PET bottles. Today it has a global footprint of recycling facilities on four continents. These will help IVL reach its goal to recycle 50 billion PET bottles every single year by 2025.

Recycling's benefits go beyond reducing waste. It also saves energy and water use, lowers greenhouse gas emissions and demand for finite resources. Those are essential for a circular, sustainable economy and the fight against climate change.

But recycling plants are just one slice of a circular economy. Collection rates must improve. In Asia, for instance, some governments have regulations that are barriers to recycling, stifling collection. The West is also struggling. Four out of 10 Americans have little or no access to recycling, according to Keefe Harrison, CEO, The Recycling Partnership. “Levelling up the U.S. residential recycling system requires \$17 billion over five years and collaboration from industry and government. This will deliver \$30 billion in economic benefits and nearly 200,000 new jobs within 10 years. A good return for the economy and the environment.”

With the right laws, infrastructure, and behaviors in place, IVL is betting more than a billion dollars that recycling will be a growth industry.

“Sustainability won't just happen. As an industry, infrastructure is within our control. Building the infrastructure the world needs to deliver the circular economy for packaging is critical if we are serious about protecting our planet and our business,” Lohia says. May the circle be unbroken.

*United Nations Environment Programme, 2020 “Single-use plastic bottles and their alternatives – Recommendations from Life Cycle Assessments”



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