

World-first investment tracker for plastics circularity provides new insights on the financing gap in emerging markets

Access to investment data will enable strategic decision making and mobilize further private capital to advance plastics circularity

SINGAPORE, 15 MARCH 2023 – The Circulate Initiative, a non-profit organization dedicated to solving the ocean plastic pollution challenge in emerging markets, has released a groundbreaking new tool, the [Plastics Circularity Investment Tracker](#), which will enable decision makers to better understand investments into plastics circularity.

Leveraging deal-level information on private investments in emerging markets between 2018 and 2022, the Investment Tracker provides unique insights on the types of solutions and regions receiving funding, as well as the scale of investments into plastics circularity.

Plastic pollution is a global environmental problem that contributes to climate change and poses a risk to society, the economy and population health. Despite the potential of a circular economy to curb this crisis, gaps in financing and action remain. The Investment Tracker reveals that approximately US\$850 million was invested annually in plastics circularity solutions across emerging economies, significantly lower than the [estimated US\\$27.5 billion a year](#) needed to fund basic waste management infrastructure in these markets. The total investments made across the analyzed time period was estimated at US\$4.1 billion.

The Circulate Initiative’s Research Director, Umesh Madhavan, says, “Global attention towards the plastic waste crisis, corporate commitments and growing consumer demand for sustainable products are creating a unique moment in time for investment into circular solutions. Investors can help to pave the way for a circular economy, but to date they have lacked the tools and data to assess where capital is needed most.”

By bridging existing data gaps and improving the transparency around the financing of plastics circularity solutions, Madhavan adds that the Investment Tracker will enable investors to better identify opportunities offering the potential to unlock financial returns as well as positive environment and social impact.

The accompanying insights report [“The Plastics Circularity Investment Tracker: Monitoring Capital Flows to Tackle the Ocean Plastic Pollution Challenge”](#) also exposed the disproportionate distribution of capital across the plastics value chain, with 88% of investments allocated to downstream solutions such as recycling and recovery. While continued investment in plastic waste management is necessary to prevent further leakage, the findings highlight the need for more equitable distribution of funding to the reduction and avoidance of plastics to achieve system change.

Additional findings include:

- All of the top 10 deals in plastics circularity involved waste management or recycling companies, indicating that investors tend to be risk averse when evaluating circular solutions and prefer established and tested practices and business models.

- Annual private investments into plastics circularity across emerging markets hit a peak of US\$1.1 billion in 2019. For comparison, clean energy investments in developing economies were [US\\$155 billion in the same year](#).
- Asia, which has become a hotspot for plastic pollution due to inadequate waste management infrastructure, is leading the way in plastics circularity financing. It received 87% or US\$3.5 billion of cumulative investments since 2018.

Michael Sadowski, The Circulate Initiative's Executive Director, says, "Momentum is building behind the circular economy as investors seek out opportunities with the potential to improve returns while tackling global challenges. We're confident that this first-of-its-kind tool and the insights derived will help investors and stakeholders identify scalable solutions across the plastic value chain and where resources are most needed to accelerate the circular transition."

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About The Circulate Initiative

The Circulate Initiative is a non-profit organization committed to solving the ocean plastic pollution challenge and advancing an inclusive, circular economy across emerging markets. With a focus on South and Southeast Asia, its strategy is centered on addressing systems barriers in plastics circularity, namely equity, financing, insights, and market gaps, through collaborations with key stakeholders across the sector. For more information, please visit: <https://www.thecirculateinitiative.org/>

About the Plastics Circularity Investment Tracker

The Plastics Circularity Investment Tracker provides a visualization of the current landscape of investments in the plastics circularity space. The tracker consolidates aggregated data compiled by The Circulate Initiative from multiple databases.

Visit: <https://www.thecirculateinitiative.org/plastics-circularity-investment-tracker> for more information.

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