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ACCELERATING THE CIRCULAR ECONOMY

Integrating Circularity into Programs, Projects, and Policies

1–3 October 2024 | Metro Manila, Philippines



Circular Economy and the Private Sector



As with many transitions, **the move from linear to circular value chains and approaches has been led by the private sector.**

The opportunities for **first mover advantage** and **entrepreneurial success** are extremely motivational.



As a result, businesses and industries play a critical role in the transition to a circular economy by:

- ✓ Developing and providing circular products and services
- ✓ Developing and innovating in production, distribution, waste management, and resource recovery systems and technologies



SMEs can have a huge impact in facilitating this shift

- Represent 90% of businesses worldwide (*~98% of businesses in Asia and the Pacific*)
- Informal sector play a major role in waste management and recycling
- Start-ups can lead development of innovative business models and technologies



Circular Economy and the Private Sector: Issues



1. Areas of activity can be narrowly focused as they are driven, primarily, by a balance of risk and reward. The result is that more challenging areas of the transition are under-supported by the private sector.



2. Circular economy is still a relatively new concept and is understood and implemented differently across sectors



3. Factors that affect the shift to a circular economy, such as:

- Lack of a regulatory framework and incentives
- Absence or underdevelopment of standards or guidelines for recycled products
- Difficult trade-offs for companies wanting to develop circular business models
- Lack of financing and other resources (e.g., land availability)
- Difficulty influencing consumer behavior to patronize circular products and services, due to accessibility, pricing, or quality considerations
- Low integration of informal sector actors

Circular Economy and the Private Sector: Opportunities



By pioneering transitions, the private sector can catalyze activities and help identify key areas for government focus in terms of early progress and areas for additional policy and legislative support.

Development of enabling policies can promote circularity

- ✓ Green procurement policies
- ✓ Extended Producer/Extended Stakeholder Responsibility frameworks
- ✓ Deposit-refund schemes
- ✓ Incentives for R&D and green business development

Circular Economy and the Private Sector: Opportunities



Industry-specific approaches are needed to encourage SMEs to adopt circular principles.



Blended finance approaches to crowd in private capital for investments in circularity



Knowledge-building and capacity-building for businesses

Case Study: Alba Blue Loan for Recycling



Treasure raw materials.



TRIDI OASIS GROUP

- \$44.2 million Blue Loan with PT Alba Tridi Plastics Recycling Indonesia to establish a PET recycling facility in Central Java
- With a strong understanding of the local market and the needs of the informal sector workers, the project made volume purchase commitments to informal sector suppliers to meet feedstock supply needs



Case study: PCX Markets and Rebound Plastics Exchange



PCX Markets is a fully transparent plastic credit marketplace for audited, traceable plastic waste recovery and responsible processing worldwide.



RPX is a global quality assured trading platform that enables buyers and sellers to efficiently trade recycled plastic with confidence.

Thank you!

