



Media release

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Trucost identifies \$3.5bn environmental savings from scaling up sustainable plastic

Trucost quantifies the environmental benefits of industry-wide expansion of sustainable plastic initiatives such as Dell's recycled plastic and Algix's bioplastic

Companies using sustainable plastic could deliver \$3.5 billion environmental savings, according to a discussion paper published today by Trucost. To achieve these benefits, business and policymakers have to massively scale up initiatives such as plastic recycling and bioplastics.

The Trucost paper *Scaling Sustainable Plastics: Solutions to Drive Plastics towards a Circular Economy* identifies the actions needed by companies, governments, environmentalists and researchers to achieve industry-wide scaling up of sustainable plastics. The paper draws on interviews with plastics and recycling experts, as well as case studies of companies that have worked with Trucost to measure the environmental benefits of initiatives, including US computer giant Dell and green technology company Algix.

Plastic has many benefits ranging from reducing food waste by providing packaging to cutting transport pollution due to its light weight. However, around 8% of current fossil fuel dependency is attributed to plastic production and much of our plastic is used just once and then thrown away. The environmental cost to society of plastic use by the consumer goods sector alone is estimated at \$75 billion, largely due to climate change and pollution impacts, in particular marine pollution.

Innovations to achieve a more circular economy such as closed loop recycling, plant-based plastic and biodegradable polymers offer ways to reduce the environmental cost of conventional, fossil fuel-based plastic. But so far, few companies are pioneering these new processes and technologies.

For example, Dell's OptiPlex 3030 computer is produced using recycled plastic recovered from electronic equipment from its own take-back scheme. Trucost's environmental benefit analysis identifies environmental cost savings to society of \$700 million per year if the entire computer manufacturing industry switched to closed-loop recycled plastic.

Algix makes a low-carbon polymer called Solaplast from algae. Trucost demonstrates that if the footwear sector switched to Solaplast, it could reduce its environmental cost by \$1.5 billion per year. If the soft drinks sector used the algae-based plastic, it could deliver benefits to the tune of \$1.3 billion.

Trucost's paper identifies the barriers that are preventing business sectors from scaling up use of sustainable plastic and recommends solutions to overcome them. First and foremost is that waste plastic is undervalued in our economy. This is because the market does not price in environmental costs such as climate change and human health impacts from petrochemical plastic production, or the damage done to the marine environment by plastic waste.

The solution is for policymakers to correctly value plastic, providing an incentive for companies and consumers to recycle it into new products and reduce the need for virgin polymers. It would also encourage the switch to plant-based and biodegradable-plastic where appropriate. Businesses can benefit from this shift to a circular economy by acting now to understand the risks and opportunities it presents. By valuing the environmental costs and benefits of plastic use, companies are in a better position to take informed decisions.

The paper contains a dozen further recommendations for different stakeholders aimed at increasing access to feedstock, improving product quality, addressing financial challenges, and boosting market demand.

"Our research identifies solutions to the challenges of scaling up the market for sustainable plastic," said Richard Mattison, chief executive of Trucost. "By assessing the environmental cost benefits of sustainable plastic initiatives, companies and governments can better understand the business case for investment."

Doug Woodring, co-founder of Ocean Recovery Alliance which supported the discussion paper, said: "Companies now realize that environmental sustainability has a positive impact not only on the communities they serve, but also on their own bottom line. Managing the plastic ecosystem through recycling, reuse and closed-loop methods can create jobs, save money, improve brand value and create supply-chain efficiency."

Further information

The headline results of *Scaling Sustainable Plastics: Solutions to Drive Plastics towards a Circular Economy* were launched at the [Plasticity Forum](#) in Shanghai 27-28 April 2016 and the full report is now available to download on that link, or at www.trucost.com

The Plasticity Forum showcases sustainable solutions and market opportunities for transforming plastic waste into a valuable resource. The next event will be held in the UK on 21 September 2016 as part of the London Design Festival.

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