



Project STOP

Status December 2021

Based on a concept developed by Borealis, <u>Project STOP</u> was co-founded in 2017 by <u>Borealis</u> and SYSTEMIQ. Current programme focus is on Indonesia, one of five countries that account for over 55% of global plastic leakage into the oceans. Project STOP's aim is to address the challenge of ocean plastic at its source. The programme supports city authorities in establishing more sustainable, leak-free and cost-efficient waste management systems. Our belief is that a sustainable transformation can only be achieved by applying a holistic approach that addresses all system failures at once. This systemic approach includes setting up a waste collection and sorting system across the entire city; establishing a sustainable financing model; building institutional capacity; ensuring a solid waste management governance; and enabling knowhow transfer.

Project STOP collects not only plastic but all waste fractions, including organic waste. This ensures that no waste material whatsoever ends up in the environment. The material collected is sold whenever possible to recycling companies, thus fostering a circular economy as well as additional sales revenues that can be used to cover the costs of waste collection and sorting. Because only 12% of the waste generated in this region is plastic, this generates additional benefits for the community.

The results demonstrate proof of concept: As of December 2021, over 20,000 tons of waste (including 2,350 tons plastic waste) were collected, and more than 260,000 people receive now waste collection services and are no longer forced to dump or burn waste in their own backyards. At the same time, 226 new full-time jobs in waste collection, sorting, administration and management have been created. Five material recovery facilities have been built, with one of them among the largest of its kind in Indonesia.

Project STOP has also supported local authorities in piloting a new, more centralised and thus more efficient waste management governance model. To ensure the system continues to function once the Project STOP team has handed it over to the municipality, a comprehensive education programme was developed to train government employees to operate the waste system.

Of equal importance is ensuring that the system can be scaled up and sustainably financed in coming years. Whilst today's collection and sorting costs are already covered by revenues from the sale of materials and waste collection service fees, it is crucial to continue to increase the value of waste and create a market for recycled materials. To reinforce the financing model and create a financially robust system, additional private-sector financing support will be required in the form of Extended Producer Responsibility (EPR) schemes, as well as other novel financing models like plastic credits. Both instruments will be tested during the programme implementation.

Project STOP's holistic approach and tangible impact have in a very short time generated widespread acceptance and support among local and national authorities. Moreover, a shift in mind-set can be observed: waste collection, traditionally a job for the poorest of the poor, has now become a decent job which people are proud to hold.

Project STOP is currently active in three Indonesian cities: Muncar, Pasuruan and Jembrana. In Muncar, the entire population now receives formal waste collection services; the hand-over to city authorities has started, with completion planned by the end of 2021. Pasuruan and Jembrana are to follow by the end of 2022.

In the meantime, Project STOP continues its regional expansion. Once completed, this 4-year expansion plan will have enabled Project STOP to provide waste collection services to 2 million people, establish around 1,000 new jobs, and collect an annual 25,000 tons of plastic waste.

It is important to work hand in hand with local governments and authorities, and with the entire plastic value chain. Project STOP partners are committed to contribute their know-how as well as financial and/or technical support to drive systemic change and transform today's linear waste system into a sustainable and circular one.

Project STOP's four main goals

- Stop plastic leakage into the environment at the source by establishing collection services for all households and businesses, increasing the number of collection points and sorting facilities, and enlisting more waste collection workers.
- 2. **Create circular systems** that generate added value from waste and use resources more efficiently.
- 3. Ensure the sustained financing and economic viability of waste management systems.
- 4. **Provide benefit to local communities** by creating new jobs in waste management whilst reducing negative impacts of waste mismanagement on public health, tourism and fisheries.

Project STOP's objectives and targets

- Provide an additional 2 million residents with reliable, affordable waste collection services (collecting around 230 kt of waste, of which 25 kt are plastic).
- Provide around new full time 1,000 jobs.
- Pilot a **new Project STOP** "**light**" **model**, and a more centralised and robust **governance model** that will allow Project STOP to **scale up city partnerships faster**, and at a **fraction of the current cost**.
- Implement a government training programme that, if successful, can become a training programme for environmental agencies nationwide.
- Establish financial sustainability of the system by implementing private sector financial models such as plastic credits and EPR schemes that will be piloted during the programme roll-out.
- Accelerate the circular economy by improving the valorisation and pricing of plastic waste, stimulating market demand for recycled plastics, and exploring commercial opportunities.

Project STOP is part of the <u>EverMinds™</u> platform created by Borealis to unite and inspire customers, partners and interest groups to develop innovative technologies and products that promote plastic circularity. A key Borealis sustainability goal is to ensure that by 2025, 100% of consumer products are recyclable, re-usable, or made with renewable materials.

Project STOP Strategic Partners:

Borealis, SYSTEMIQ, Norwegian Ministry of Foreign Affairs, Nestlé, Alliance to End Plastic Waste, Borouge, Siegwerk Support and Technical Partners:

Veolia, Sustainable Waste Indonesia, Schwarz Group, HP

Government Partners:

Indonesian Ministry of Environment and Forestry, Banyuwangi Regency; the Indonesian Coordinating Ministry of Maritime Affairs, BAPPPENAS and the Ministry for Public Relations are supporting partners

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