

# THE OCEAN



Policy in practice

## CLOSED LOOP FUND

**Region:** [Americas](#)

**Country:** [United States](#)

**Tags:** [Fund](#) | [Plastic](#)

**Themes:** [Finance](#) | [Pollution](#)



Responsible consumption and production



Life below water

### Policy in practice

Mobilising private investment for developing collection, sorting and processing systems, particularly in low-income contexts, is an intervention that can be challenging to implement but could have a significant impact in reducing plastic waste. Returning waste plastics back into the manufacturing process requires capacity in collection systems and appropriate treatment, which is currently insufficient and, in some regions, absent entirely. This requires investment. Generating the necessary capital finance and revenues to provide sustainable waste collection and sorting processes is very challenging. This requires partnership between government sources of funding and commercial investment. Close partnership with the informal sector, which collects much of the recyclable plastics in low and middle income countries, will also be essential. An example of an initiative underway to attempt to mobilise private finance to invest in the sector is the Closed Loop Fund.

The Closed Loop Fund is managed by Closed Loop Partners, a social investment group that raises finance for investment in sustainable consumer goods, advanced recycling technologies and the development of the circular economy. Until recently, the organisation focused on North America where it has raised USD 100 million from retailers and brand owners to help finance recycling operations. Working in partnership with the Ocean Conservancy, Closed Loop Partners have recently announced development of a USD 150 million fund to support bankable recycling schemes in South East Asia, a region considered to be a key source of ocean plastics pollutions.

### Source report

[OECD \(2018\), \*Improving Markets for Recycled Plastics: Trends, Prospects and Policy Responses\*, OECD Publishing, Paris.](#)

### Key policy message

Mobilising private investment in collecting, sorting and processing plastic waste can have a significant impact on reducing plastic waste.

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