ELLEN MACARTHUR FOUNDATION | UN environment programme

This report has been compiled by the Ellen MacArthur Foundation, with input from the UN Environment Programme in relation to the government signatories.

The Global Commitment 2021 Progress Report

EXECUTIVE SUMMARY

Driven by the goal of tackling plastic pollution at its source, through the Global Commitment and Plastic Pact network more than 1,000 businesses, governments, and other organisations have united behind a common vision of a circular economy for plastic, in which it never becomes waste. Signatories to the Global Commitment, which together account for more than 20% of the plastic packaging market, have set ambitious 2025 targets to help realise that common vision. This third annual progress report looks at how these signatories are faring against these targets.

THIS REPORT HAS THREE KEY FINDINGS:

1

After decades of growth, virgin plastic use appears to have peaked for Global Commitment brands and retailers, and is set to fall faster by 2025

2

Progress has largely been driven by recycling, but that is not enough to solve plastic pollution – much more focus is urgently needed on eliminating single-use packaging

3

A large number of businesses and countries are supportive of a global agreement on plastic pollution, recognising voluntary initiatives alone will not be enough

Explore the Global Commitment 2021 Progress Report data and insights:

- Overall insights (this document)
- Insights by sector
- Individual signatory reports

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PERSPECTIVE ON PROGRESS

In this section, the Ellen MacArthur Foundation and UNEP offer a perspective on the progress seen over the reporting period, looking at each of the three key findings of the report.

1 After decades of growth, virgin plastic use appears to have peaked for Global Commitment brands and retailers and is set to fall faster by 2025

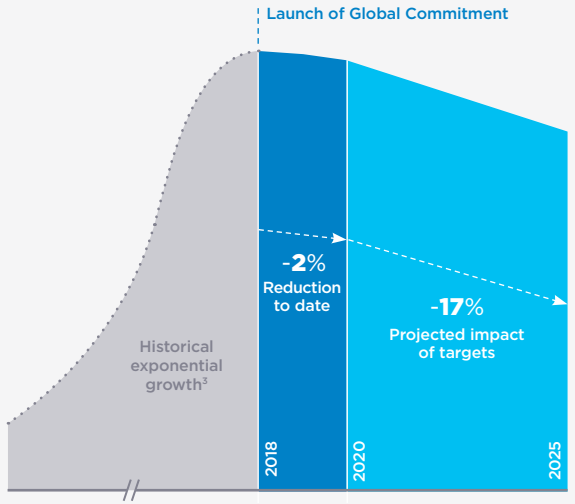
Brands and retailers in the Global Commitment are already reducing their virgin plastic consumption

- Brands and retailers in the Global Commitment have now collectively reduced their virgin plastic consumption for the second year in a row, with a reduction of 1.2% between 2020 and 2019, following a 0.6% reduction between 2018 and 2019.
- This follows decades of exponential growth in the industry's consumption of virgin plastics, during which the global plastics market grew from around 2 million metric tonnes in 1950 to more than 300 million metric tonnes in 2015.[1]

With all these companies now setting absolute reduction targets this trend is set to accelerate

- This downward trajectory is reinforced by new commitments to reduce total plastic or virgin plastic use in absolute terms by 2025, which has this year become a mandatory requirement to be a Global Commitment brand or retail signatory.
- These targets are expected to lead to a total reduction in virgin plastic used by brand and retail signatories of around 19% between 2018 and 2025.
- This sustained and significant fall would mark, for the first time, a decoupling of business growth from the consumption of virgin plastic among leading brand and retail companies.
- By 2025, combined with the recycled content targets of plastic and packaging manufacturer signatories, this would avoid an estimated 8 million tonnes of virgin plastics from being produced each year – keeping 40 million barrels of oil in the ground annually.[2]

FIGURE 1



Estimated trajectory of the weight of virgin plastic in packaging for Global Commitment brand and retail signatories, 2018–2025

PERSPECTIVE ON PROGRESS

In this section, the Ellen MacArthur Foundation and UNEP offer a perspective on the progress seen over the reporting period, looking at each of the three key findings of the report.

2 Progress has largely been driven by recycling, but that is not enough to solve plastic pollution – much more focus is urgently needed on eliminating single-use packaging

Progress on virgin plastic reduction has largely been driven by growing use of recycled content in packaging

- The reduction in virgin plastic delivered by Global Commitment signatories between 2018 and 2020 was largely driven by a strong increase in the use of recycled plastics, mainly in rigid PET packaging.
- Brand and retail signatories substantially increased the post-consumer recycled content in their plastic packaging over this period – by 60%, from 5.2% to 8.2%.
- Based on current reduction and recycled content targets of brand and retail signatories, around 80% of the planned 2025 virgin reduction seems to be driven by increasing recycled content.

But we see alarmingly little investment in efforts to reduce the need for single-use packaging...

- Most current efforts to eliminate problematic or unnecessary plastic packaging involve substitution to other plastics or paper, not solutions that reduce the need for single-use packaging in the first place.
- Less than 2% of Global Commitment signatories' plastic packaging is reusable, and more than half of all signatories reported 0% reusable plastic packaging. While these changes take time, more concerning is that levels of ambition to explore and scale reuse appear very low. Just 11% of signatories launched more than three pilots in the last year, while 56% launched none at all.
- Supporting policy measures on elimination are still largely limited to banning a narrow set of items, while only three government signatories have established targets on reuse affecting their whole jurisdiction.

...which is vital to continuing progress towards a circular economy for plastic

- We won't recycle or dispose our way out of plastic pollution. Demand for plastic packaging is predicted to double over the coming two decades. Future scenarios focused on collection, recycling, and disposal alone have been shown to fall short, with high ocean leakage and GHG emissions.[4]
- To achieve a circular economy for plastic, substantially more effort must go into preventing waste from being created in the first place — using elimination and reuse solutions to curb growth in the total amount of packaging that needs to be circulated.
- Upstream innovation offers opportunities to rethink how products can be delivered to users without the need for single-use packaging.

PERSPECTIVE ON PROGRESS

In this section, the Ellen MacArthur Foundation and UNEP offer a perspective on the progress seen over the reporting period, looking at each of the three key findings of the report.

3 A large number of businesses and countries are supportive of a global agreement on plastic pollution, recognising voluntary initiatives alone will not be enough

The right policies can create the conditions for global change

- Voluntary industry initiatives and actions by leading governments play a vital role in pioneering solutions and demonstrating what's possible at scale. However, many stakeholders agree these efforts will never by themselves be enough to eliminate plastic waste and pollution.
- 80% of the plastic packaging market is not captured by the Global Commitment, with most of those outside it unlikely to act at the scale and pace required to prevent plastic packaging and waste from being created in the first place, reduce virgin plastic, and tackle packaging not recyclable in practice and at scale.
- Policymakers now have a significant opportunity to address these gaps by creating the enabling conditions both to support efforts by leading companies and to drive laggards to action.

2022 offers a unique opportunity to capitalise on momentum towards ambitious global action on plastics

- Around 80 leading companies from across the plastics value chain and investors have backed the call initiated by the Ellen MacArthur Foundation, WWF, and BCG for a binding UN treaty on plastics, recognising that voluntary initiatives alone will not be enough.
- Furthermore, around 100 countries have explicitly expressed support for starting negotiations on a global agreement on plastics in 2022.
- In February 2022, national governments will gather for the next session of the UN Environment Assembly. This is a unique opportunity to drive ambitious global action on plastics pollution that the international community must seize.

Now there is broad industry support for EPR, that policymakers can build on

- 150+ organisations, including 100+ leading businesses, have now explicitly and publicly recognised that extended producer responsibility policy (EPR) is the only proven way to ensure sufficient funding for collection, sorting and recycling of packaging, and that without it recycling is unlikely to ever scale.
- Governments can build on this strong and constructive signal from industry, to accelerate the implementation of EPR policy for packaging.
- Eight out of nine national governments reporting to the Global Commitment have already indicated they have set or are planning to implement EPR policies by 2025.

KEY PROGRESS METRICS

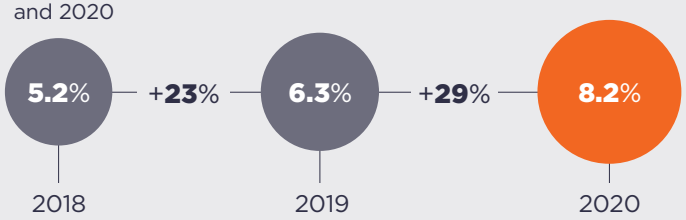
01 All brand and retail signatories have committed to set 2025 total and/or virgin plastic packaging reduction targets

63
brand and retail signatories setting targets

-19%
virgin plastics in packaging by 2025, compared to 2018

02 The pace of progress on post-consumer recycled content is high...

% of post-consumer recycled content in plastic packaging for brand and retail signatories (weighted average) in 2018, 2019 and 2020

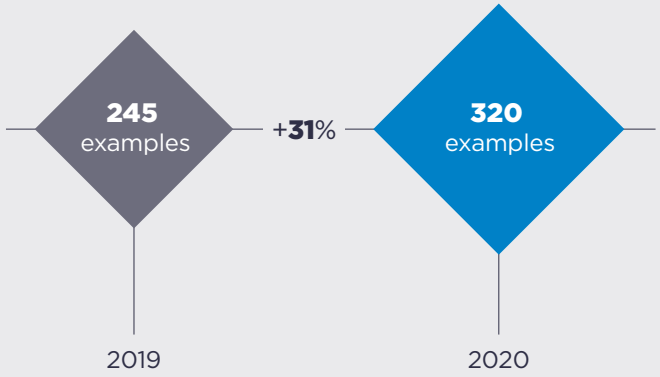


...and recyclers are increasing their output of recycled plastics.

Plastics recycling output of recycler signatories (millions of metric tonnes) in 2018, 2019 and 2020

03 Signatories are reporting more elimination examples...

Number of elimination examples reported by brand, retail and packaging producer signatories for 2019 and 2020



...however, most examples involved material substitution, not changes to avoid the need for single-use packaging

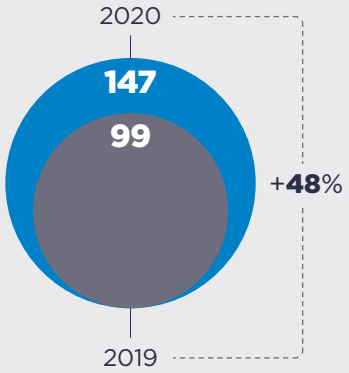
Percentage of elimination examples reported using each solution type

Change to the packaging material used
e.g. substitution to paper, other plastics or lightweighting

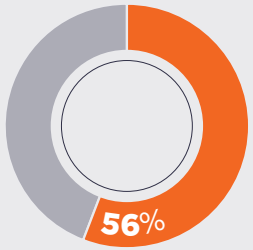
Fundamental changes
to packaging, product, or business model design to avoid the use of single-use packaging e.g. direct elimination or switching to reuse models

04 Despite growth in the number of reuse pilots launched, many signatories still do not appear to be testing reuse models...

Number of pilots launched by brand, retail, and packaging producer signatories in 2019 and 2020

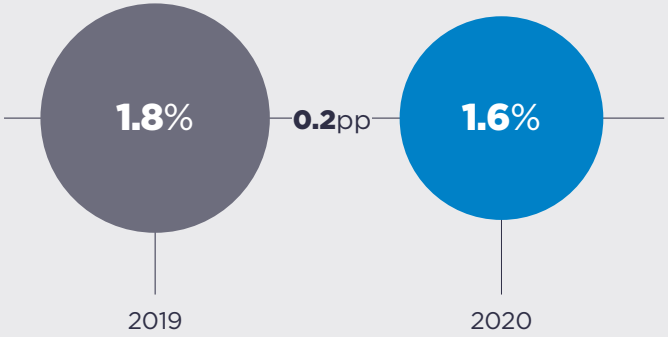


% of brand, retail, and packaging producer signatories not launching any pilots in 2020



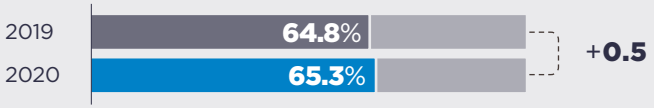
...and the overall share of reusable plastic packaging has decreased

Share of reusable plastic packaging for brand and retail signatories reporting in both 2019 and 2020 (% of weight)



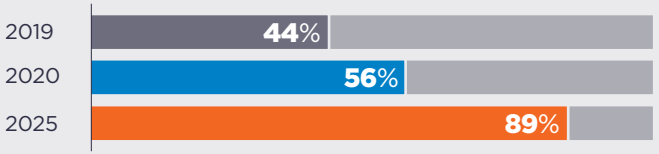
05 The share of reusable, recyclable, or compostable plastic packaging increased marginally

Share of reusable, recyclable, or compostable plastic packaging for brand and retail signatories reporting in both 2019 and 2020 (% of weight)



An increasing number of governments are working on Extended Producer Responsibility (EPR) policies

% of national government signatories revising/establishing EPR policies in 2019 and 2020, and/or planning to do so by 2025



06 The majority of signatories are now publicly disclosing their total plastic packaging weight and portfolio breakdown

% of brand and retail signatories publicly disclosing their total plastic packaging weight and portfolio breakdown in 2020 and 2021

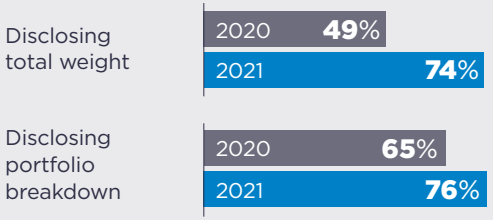


FIGURE 2

Progress on plastic packaging by top FMCG companies since 2018

Key Global Commitment metrics for top 10 FMCG companies by revenue, 2018–2020

2018 2020 2025 target

	TOTAL WEIGHT of plastic packaging in metric tonnes in 2020	2025 REDUCTION TARGET for total plastic packaging weight and/or virgin plastic weight	RECYCLED CONTENT % of post-consumer recycled content weight in plastic packaging	REUSABLE, RECYCLABLE, OR COMPOSTABLE PLASTIC PACKAGING % of plastic packaging weight that is reusable, recyclable, or compostable	REUSABLE PLASTIC PACKAGING % of plastic packaging weight that is reusable
Nestlé Food	1,267k	33% Virgin	2% → 4% (target 30%) +2	65% → 61% (target 100%) -4	1% → 1% =0
Procter & Gamble	Not a Global Commitment Signatory				
PepsiCo Beverages	2,350k	5% Virgin	3% → 5% (target 25%) +2	77% → 77% (target 100%) =0	0% → 0% =0
AB InBev	Not a Global Commitment Signatory				
Unilever* Household and personal care	690k	Total 100k; Virgin 50%	1% → 11% (target 25%) +10	50% → 52% (target 100%) +2	Not reported
JBS	Not a Global Commitment Signatory				
Tyson Foods	Not a Global Commitment Signatory				
The Coca-Cola Company** Beverages	2,961k	20% Virgin	9% → 11.5% (target 25%) +2.5	99% → 99% (target 100%) =0	4% → 1.7% -2.3
Mars, Incorporated Food	179k	25% Virgin	0% → 0% (target 30%) =0	23% → 22% (target 100%) -1	0% → 0% =0
L'Oréal Cosmetics	138k	33% Virgin	4.7% → 15.8% (target 50%) +11.1	30.3% → 41.7% (target 100%) +11.4	0.4% → 1% +0.6

Notes:
a) Growth was calculated using percentage points for all metrics.
b) All quantitative data are provided for the latest year reported, in most cases for the relevant company's financial year ending 2020. Details of the reporting timeframe for each signatory are provided in their online individual reports.
c) For more information about individual plastic reduction targets, please refer to online individual signatory reports.
* Reporting scope is limited to primary and secondary plastic packaging in 26 markets representing 80% of turnover.
** Reporting scope is limited to PET primary plastic packaging.

FIGURE 3

Progress on plastic packaging by other large FMCG signatories since 2018

Key Global Commitment metrics for other large FMCG companies by revenue, 2018–2020

2018 | 2020 | 2025 target

	TOTAL WEIGHT of plastic packaging in metric tonnes in 2020	2025 REDUCTION TARGET for total plastic packaging weight and/or virgin plastic weight	RECYCLED CONTENT % of post-consumer recycled content weight in plastic packaging	REUSABLE, RECYCLABLE, OR COMPOSTABLE PLASTIC PACKAGING % of plastic packaging weight that is reusable, recyclable, or compostable	REUSABLE PLASTIC PACKAGING % of plastic packaging weight that is reusable
Danone Food	717k	33% Virgin	6.4% → 10.3% (target 50%) +3.9	65.5% → 67% (target 100%) +1.5	3.7% → 4.8% +1.1
Mondelez* Food	190k	5% Virgin	0.3% → 0.3% (target 5%) =0	5% → 5% (target 100%) =0	0% → 0% =0
Henkel Household and personal care	348k	33% Virgin	7% → 12% (target 30%) +5	74% → 79% (target 100%) +5	0% → 1.6% +1.6
Colgate-Palmolive Household and personal care	288k	33% Virgin	7% → 10% (target 25%) +3	57% → 60.8% (target 100%) +3.8	0% → 0% =0
Diageo** Beverages	42k	5% Total	0% → 5.4% (target 40%) +5.4	81% → 66.8% (target 100%) -14.2	0% → 0% =0
Reckitt Household and personal care	225k	30% Virgin	3% → 3.5% (target 25%) +0.5	59% → 61.8% (target 100%) +2.8	5% → 5% =0
SC Johnson Household and personal care	94k	30% Virgin	4.5% → 18.8% (target 25%) +14.3	55% → 65.3% (target 100%) +10.3	7% → 14.8% +7.8
Kellogg Food	65k	To be set in Nov 2021	0% → 0.1% (target 10%) +0.1	16% → 14.1% (target 100%) -1.9	0% → 0% =0
Essity Household and personal care	40k	5% Virgin	0% → 2% (target 25%) +2	18% → 18% (target 100%) =0	0% → 0% =0
FrieslandCampina*** Food	69k	7% Virgin	0.9% → 1% (target 15%) +0.1	33% → 28.2% (target 100%) -4.8	0.4% → 0.4% =0

Notes:
a) Growth data was calculated using percentage points for all metrics.
b) All quantitative data are provided for the latest year reported, in most cases for the relevant company's financial year ending 2020. Details of the reporting timeframe for each signatory are provided in their online individual reports.
c) For more information about individual plastic reduction targets, please refer to online individual signatory reports.
* No data supplied for 2018, figure provided is for 2019
** 2025 post-consumer recycled content target is for PET bottles only
*** Reporting scope is limited to primary and secondary plastic packaging. No data was supplied for 2018, figure provided is for 2019

ABOUT THIS REPORT

This document is the third in a series of annual Global Commitment progress reports. It provides insight into the trajectory of progress being made by leading businesses and governments towards creating a circular economy for plastics.

REPORTING SIGNATORIES

In this report, 130 businesses that produce, use, and recycle large volumes of plastic packaging (representing 98% of the business signatories eligible to report through the Ellen MacArthur Foundation) and 18 governments across five continents (out of 20 government signatories) have reported on progress against public targets to help build a circular economy for plastics.[5,6]

They have all been asked to report against a common set of commitments, using the same definitions with the aim of driving transparency and consistency in data sharing on plastics across a significant group of businesses and governments.

REPORTED DATA

This report and the accompanying sector insight papers should be read alongside the individual progress reports submitted by business and government signatories. These are available via an online platform which allows users to browse individual signatory data and offers a downloadable version of the full set of data. Through making the data accessible in this way we aim to maximise transparency on the progress of individual signatories and the data collected through the reporting process.

The report provides a quantitative and qualitative assessment of progress made by signatories towards their 2025 commitments and targets over the last year. Due to the timing of reporting cycles, most quantitative data provided by business signatories in this reporting cycle is for 2020 and aggregated statistics are therefore referred to throughout the report as 2020 data, with data submitted in the 2020 reporting cycle referred to as 2019 data, and so on. References throughout the report to "%s of signatories" refer to the percentage of reporting signatories.

EXITING SIGNATORIES

In the last year, seven businesses have left the Global Commitment signatory group. This was as a result of being unwilling to fulfil mandatory requirements for participation, which include setting quantitative targets in line with the Global Commitment framework and publicly reporting on progress on them annually through the Ellen MacArthur Foundation, in line with the Global Commitment common definitions and guidelines. These businesses are:

Packaging producers:
Nuceria Group

Brands and retailers:
Barilla G. e R. Fratelli SpA; Burberry Group; Marks and Spencer plc

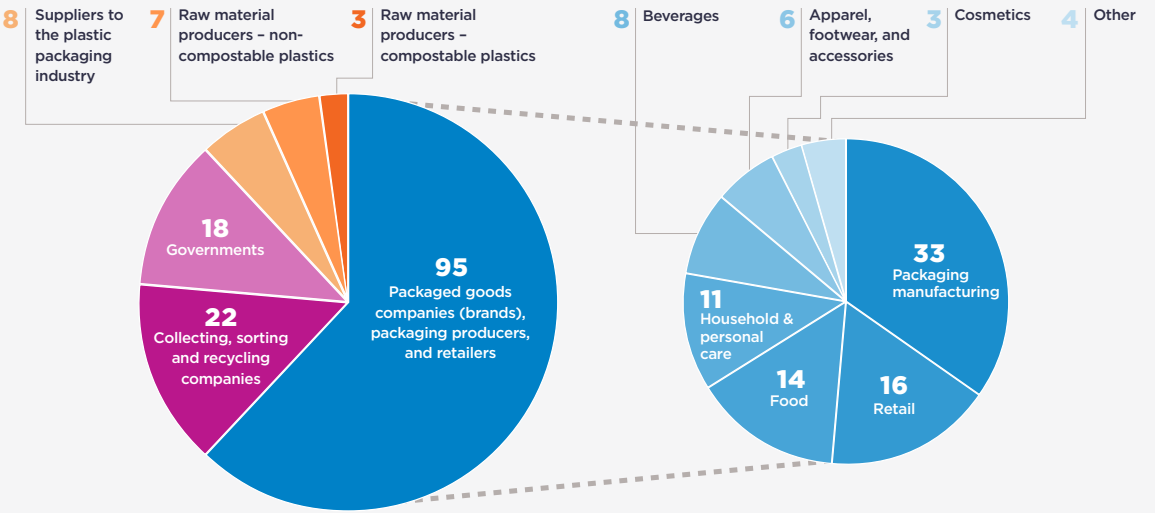
Collection, sorting and recycling companies:
Re-Poly; Evertrak; QRS; CuRe Technology

Compostable plastics producers:
Vita BioEnergia ltda

FIGURE 4

In this report, 130 businesses across the plastics value chain and 18 governments have reported against their commitments on plastic packaging

Breakdown, by commitment category, of signatories reporting through the Ellen MacArthur Foundation and UNEP



Note: Some signatories have committed in two different categories. As a result, the sum of signatories in each pie is higher than 130 businesses.

EXPLORE THE DATA

BY PROGRESS AREA

Understand trends across the whole signatory group in this report

- Elimination
- Reuse
- Reusable, recyclable, or compostable
- Reusable, recyclable, or compostable in practice
- Decoupling
- Transparency

This analysis looks across all sectors and elements of the plastics value chain, businesses and governments, to explore what progress we are seeing for the group as a whole.

BY SECTOR

Read our series of insight papers focused on different sectors

Consumer packaged goods sectors:

- Retail
- Beverages
- Food
- Household and personal care
- Apparel
- Cosmetics

Access here

- Tourism - accessible via the Global Tourism Plastics Initiative here

These sector deep dives will be useful for anyone looking for benchmarks and examples of best practice within specific sectors.

BY INDIVIDUAL ORGANISATION

See the progress of each individual Global Commitment signatory via the online data platform

- Plastics producers
- Packaging producers and users
- After-use companies
- Suppliers to the plastic packaging industry
- Governments

Access here

Access the individual progress reports submitted by the signatories whose data is used in this report, sort and filter by key metrics in summary tables, or download the full data set.

LOOKING FOR RESOURCES TO SUPPORT YOU WITH DRIVING CHANGE IN YOUR ORGANISATION?

Access our Upstream Innovation Guide and workshop resources.

1 ELIMINATION

WHY ELIMINATION?

Elimination of problematic or unnecessary plastic packaging through redesign, innovation, and new delivery models is a priority. The demand for plastic packaging is set to double over the coming two decades and it will be impossible to keep this increased flow of plastics in the economy and out of the environment without elimination. To achieve a circular economy, we need to curb the growth in the total amount of material that needs to be circulated. While plastics bring many benefits, there are some problematic items on the market that need to be eliminated to achieve a circular economy, and sometimes plastic packaging can be avoided altogether while maintaining utility. Elimination is about more than bans on straws and plastic bags — it is a broad innovation opportunity. More information about eliminating plastic packaging, including inspiring case studies and actionable frameworks for approaching packaging design decisions, can be found in the Ellen MacArthur Foundation's Upstream Innovation Guide.

KEY INSIGHTS

Momentum on elimination appears to be increasing, with continued focus on categories most commonly identified as problematic, such as PVC, (E)PS and single-use plastic straws, cutlery, and hangers

Leaders are looking beyond the most commonly identified categories to target a broader set of materials, formats, and components

Efforts involving more fundamental changes to packaging, products or business models that design out the need for single-use packaging in the first place remain limited

More governments are taking actions to eliminate single-use plastic packaging and items, with some going beyond bans or restrictions on specific categories to take a more holistic approach

Solid shampoo, L'Occitane en Provence

Momentum on elimination appears to be increasing, with continued focus on categories most commonly identified as problematic, such as PVC, (E)PS and single-use plastic straws, cutlery, and hangers

In 2021 signatories reported 344 examples of plastic packaging being eliminated or reduced – this was a 31% increase compared to the prior year, pointing to a greater focus on elimination activities and their measurement.[7]

For eight categories of packaging commonly identified as problematic – single-use cutlery, PVC, EPS, undetectable carbon black, single-use straws, PVDC, PS, and single-use hangers – the majority (more than 60%) of signatories who reported having any of these categories in their portfolio indicated plans to reduce or eliminate them. Commitments to improve recyclability of packaging are a significant driver for the focus on phasing out these packaging categories, none of which are recyclable today.[8]

PVC was the category with the greatest focus, with 86% of signatories still using it indicating elimination plans, and 32 examples submitted delivering an annual reduction of more than 80,000 metric tonnes. For PS there were 16 examples submitted eliminating more than 17,000 metric tonnes. More than 2 billion single-use plastic straws were also eliminated by **Nestlé**, while **H&M Group** reduced their use of single-use plastic hangers by 93 million.

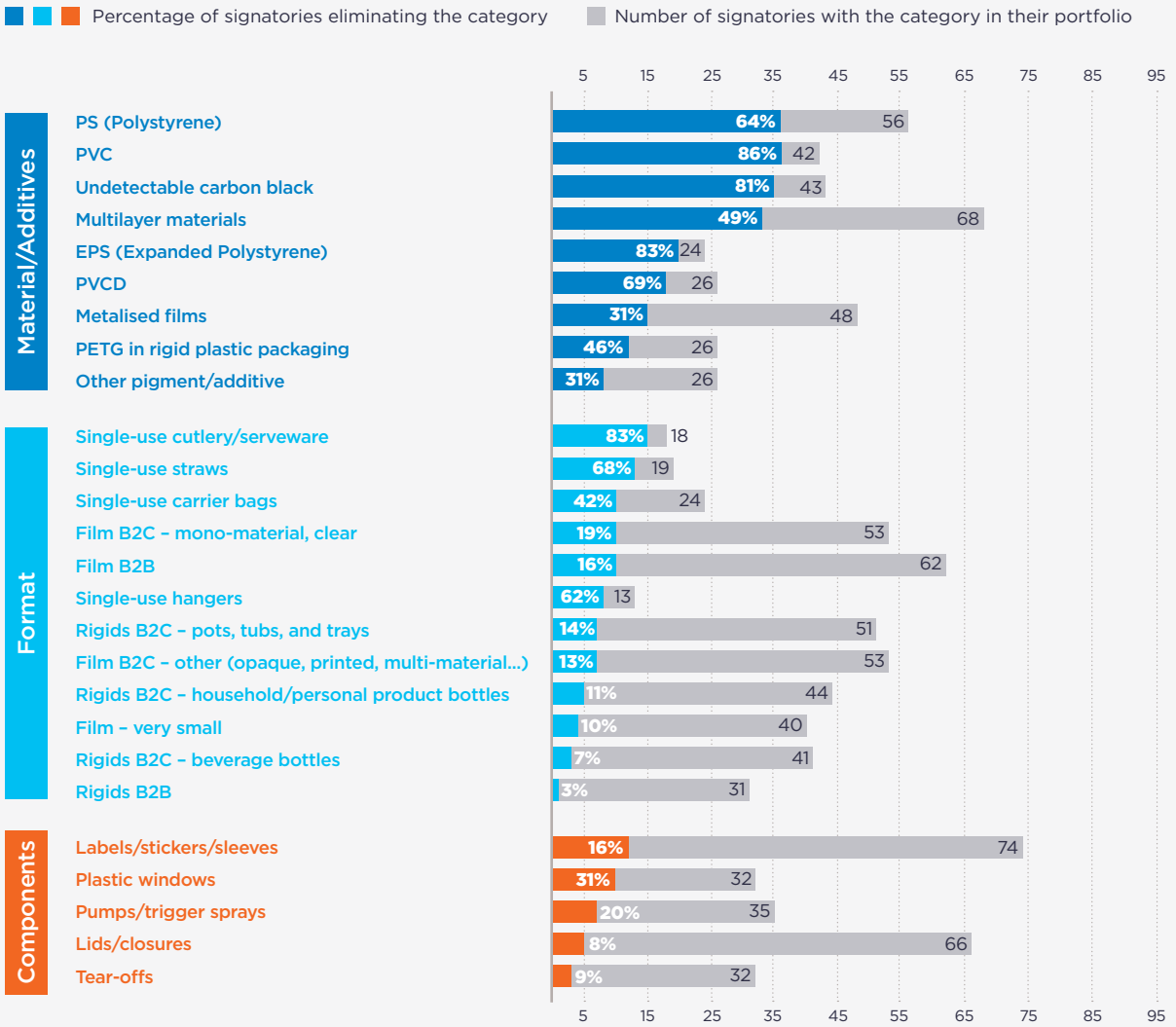
Leaders are looking beyond the most commonly identified categories to target a broader set of materials, formats, and components

In comparison to last year, the proportion of signatories reporting plans to eliminate or reduce categories beyond those most commonly identified above increased by 20% to 56 signatories (59% of the signatories reporting), suggesting businesses are increasing the scope of elimination efforts.[9]

FIGURE 5

Signatories' elimination efforts remain focused on a few plastic packaging categories, mainly materials, but some signatories are targeting a wider range of categories

Number of packaging producers, brand, and retail signatories eliminating/reducing each category, and number of signatories with the category in their portfolio



Number of brand, retail, and packaging producer signatories = 95

On materials, there was heavy focus on the broad category of multilayer materials (49% of signatories with them in their portfolio reported plans to eliminate or reduce them), and metalised films (31%). Many signatories (31%) also indicated plans to reduce use of coloured pigments, which tend to reduce quality of recyclates.

45% of signatories reported plans to reduce or eliminate other specific formats of plastic packaging.[10] This most commonly included flexible plastic packaging formats such as B2C mono-material films (targeted by 19% of signatories with them in their portfolio, with elimination of 87 million units in 2020 by L'Oréal), B2C multi-material films (13%) and very small films, such as sachets (10%). Rigid packaging formats targeted included pots, tubs and trays (14% of signatories with them in their portfolio), as well as bottles for household and personal care products (11%) and beverages (7%).

22% of signatories indicated plans to eliminate specific packaging components, often aimed at improving recyclability of the remaining packaging, with plastic windows (31% of signatories with them in their portfolio) and pumps and trigger sprays (20%) most frequently targeted. There were also 18 examples submitted of labels, stickers or sleeves being eliminated, including around 27 million eliminated by **Sovena Group**.

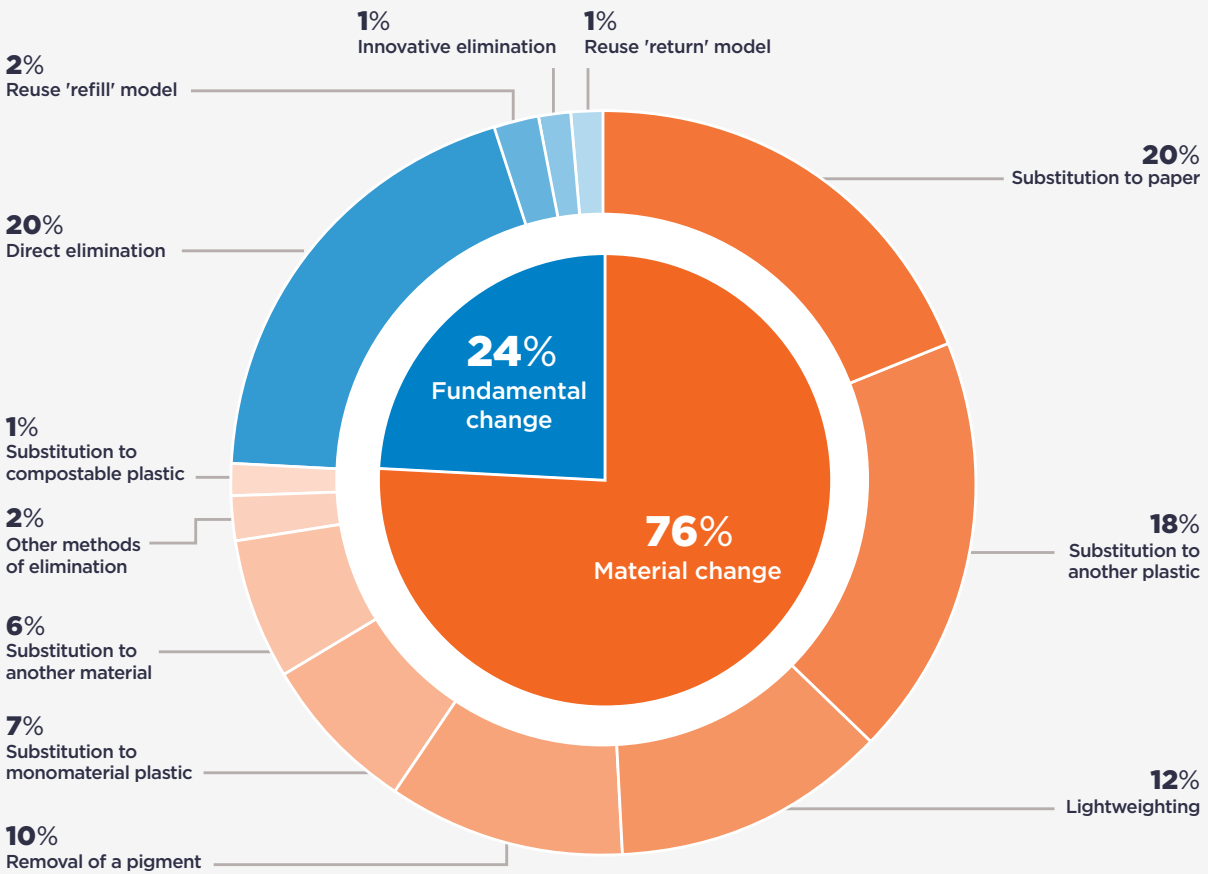
Efforts involving more fundamental changes to packaging, products, or business models that design out the need for single use packaging in the first place remain limited

The most common solution to deliver elimination – used in 52% of examples – was simple substitution of one material for another, most often other plastics or paper, rather than fundamental redesign to avoid the need for (single-use) packaging altogether. 48% of signatories reporting examples of elimination efforts pointed to efforts involving substitution for paper, and 41% substitution for other plastics to deliver elimination of problematic or unnecessary categories.

FIGURE 6

Signatories have been delivering elimination mostly through changes to materials rather than fundamental changes that avoid the need for (single-use) packaging in the first place

Elimination method used by brand, retail, and packaging producer signatories, as a % of the total number of elimination examples reported



Notes:
Fundamental changes to packaging, product, or business model design include:

- Direct elimination: direct removal of a packaging that does not serve as an essential function.
- Innovative elimination: innovative elimination of a packaging that does serve an essential function, with the function being achieved in a different way.
- Reuse 'refill' model: packaging that is owned and refilled by the user
- Reuse 'return' model: packaging and 'packaging ownership' that are returned to a business.

Material changes include changes to packaging materials used such as substitution to paper, other plastics or lightweighting.

More information on different types of elimination methods and examples are available in the Ellen MacArthur Foundation's Upstream Innovation Guide

There were relatively few examples using more innovative solutions – such as switching to reuse models or solid products – to deliver elimination (see Figure 6). Only 3% of examples involved elimination or reduction by switching to reusable packaging (read more about progress on reuse in the next chapter). Only 20% of examples were of direct elimination, where packaging is simply removed and not replaced. Most of these involved removal of single-use cutlery or components such as lids and straws, although there were also examples where flexible packaging such as plastic bags for fruit and vegetables had been removed.

Read more insights on elimination and find leading examples of elimination activities from signatories in our series of sector-based insight papers here.

More information on solutions to deliver elimination can be found in the Upstream Innovation Guide.

More governments are taking actions to eliminate single-use plastic packaging and items, with some going beyond bans or restrictions on specific categories to take a more holistic approach

In 2020, more government signatories reported measures targeting specific categories of plastic packaging or product compared to 2019, in particular single-use plastic straws, cutlery or tableware, bottles, and cotton buds.

67% of government signatories established or revised legal measures, including bans or restrictions on specific categories of plastic packaging and products that are commonly identified as problematic. For instance, **Chile** has eliminated 6.7 billion plastic bags since the roll out of the ban on plastic bags in retail in 2018, and is planning to ban single-use plastic straws, drink stirrers and cutlery as well as expanded polystyrene (EPS) products from January 2022. In 2021, **New Zealand** announced the planned phase-out of some hard-to-recycle plastic packaging including PVC and polystyrene food and beverage packaging, all oxo-degradable plastics and six single-use items including cotton buds, straws, drink stirrers, tableware, non-home compostable produce labels and single-use produce bags by 2025. Through a newly introduced bill, **São Paulo** is prohibiting single-use plastic products in hotels, restaurants, bars, and bakeries, alongside other commercial buildings, with progressive fines used as an economic disincentive in the case of noncompliance. Joining the Welsh and the English governments in banning a set of single-use plastic packaging, the **United Kingdom** reported that nine commonly littered single-use plastic items are to be banned in 2022 in Northern Ireland.

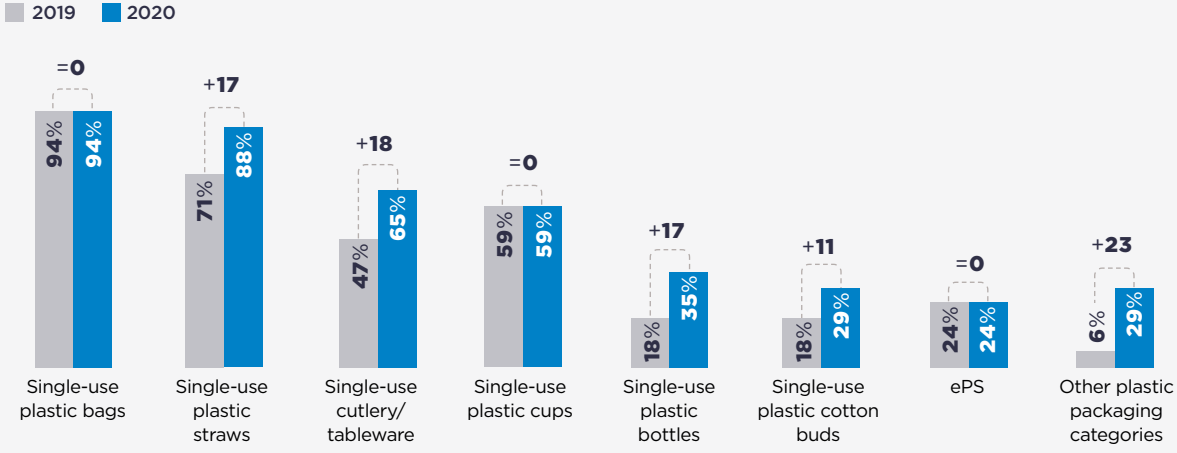
Although it remains a minority, the number of governments targeting other categories of plastic packaging – beyond those most commonly identified as problematic – also increased, to 29% compared to 6% in 2019, with a few governments taking a more holistic approach to driving elimination, including through setting reduction targets. Joining **the Netherlands**, which has a target to use 20% less plastics by 2025 as part of the Plastics Pact NL, **France** has set out plans to reduce single-use plastic packaging by 20% by 2025 through its "3R" (Reduce, Reuse, Recycle) decree. Through its law against waste for a circular economy ("AGEC law"), the country is also requesting that EPR organisations set objectives to reduce packaging placed on the market, in particular single-use plastic packaging, as well as offering an app through which consumers will be able to report products with packaging that they consider to be excessive. Nine other governments reported that they are also intending to use EPR regulations as a way of driving elimination of problematic or unnecessary plastic packaging and products.

Public procurement and the use of economic incentives or disincentives (e.g. subsidies and taxes) were also mentioned by governments as means to drive elimination of problematic or unnecessary plastic packaging and products. This includes, as a new example, **France**, who reported that the state will no longer purchase single-use plastic for its workplaces and events it organises from 2022. The country also reported that it will increase its tariff for PVC packaging by 75% compared to the basic tariff for clear PET packaging for bottles.

FIGURE 7

More governments are putting in place measures targeting specific categories of plastic packaging and products

% of government signatories with measures targeting each category



2 REUSE

WHY REUSE?

The shift away from single-use towards reusable packaging is a critical part of eliminating plastic pollution. While improving recycling is crucial, we cannot recycle our way out of the plastic issues we currently face. Wherever relevant, reuse business models should be explored as a preferred option, reducing the need for single-use plastic packaging. To learn more about the four key business models for reuse, the major business benefits of reuse, and examples of reuse in action, see the Ellen MacArthur Foundation's Upstream Innovation Guide. UNEP's review of Life Cycle Assessment studies comparing single-use plastic products and their alternatives can be found here.

KEY INSIGHTS

The proportion of reusable plastic packaging remains very small at less than 2% of the total, and more than half of signatories are still reporting 0% reusable packaging

While engagement with reuse models does appear to be increasing, it is concerning that levels of piloting and ambition appear very low

Business signatories appear to be focusing more on refill over return-based models, with efforts on products in the cosmetics and personal care, beverage, cleaning, and food categories and markets in Western Europe and North America a focus for future expansion

Moving beyond the delivery of awareness-raising and education campaigns, an increasing number of governments plan to focus on EPR and economic incentives or disincentives to encourage reuse

In-store refill station for cleaning products, Schwarz Group

The proportion of reusable plastic packaging remains very small at less than 2% of the total, and more than half of signatories are still reporting 0% reusable packaging

Just 1.6% of brand and retail signatories' packaging was designed to be reusable in 2020 — a small reduction from 1.8% the prior year. While this overall decline was mostly driven by **The Coca-Cola Company**, which accounts for the largest amount of the reusable plastic packaging and saw a significant reduction (which the company reported was partly driven by the impact on sales of the COVID-19 pandemic), the rest of the group did not show consistent growth: just 23% of brand and retail signatories grew their percentage of reusable packaging in 2020, and just over half (56%) reported a reusable percentage of 0% (see figure 10).

The apparel and cosmetics sectors stood out as the only two to significantly increase their overall share of reusable plastic packaging in 2020 (see figure 11). Cosmetics signatories collectively reported the highest average proportion of reusable packaging at 17.4% – this was up from 10.5% the prior year, driven by roll-out of refill stations in stores and refill-at-home models. Signatories in the apparel sector reported an average of 10.6% reusable plastic packaging, up from 5% the prior year, which appears to have been driven by increased adoption of closed-loop reusable hanger solutions.

While engagement with reuse models does appear to be increasing, it is concerning that levels of piloting and ambition appear very low

The number of signatories with activities on reuse did increase slightly in 2020, despite reports that the COVID-19 pandemic delayed implementation of reuse activities in some cases (see figure 8). 52% of brand, retail, and packaging producer signatories had indicated they had at least one reuse solution in place in 2019, this increased to 57% for 2020.[11]

The total number of reuse pilots launched or planned also increased, up 54% compared to the prior year to 628, with 44% of all signatories having launched at least one pilot over the reporting period, up from 37%. A few signatories reported conducting a larger number of pilots – **Nestlé**, 20; **L'Oréal**, 17; **Berry Global**, 12; **Unilever**, 11; **Schwarz Group**, 9; **AptarGroup** 8; **ALBEA** 8; **SC Johnson**, 7. Some specified plans to extend roll-out of reuse models significantly: following a trial in collaboration with Loop in France, **METRO AG** will expand this partnership across approximately 65 more stores in France, Germany and Spain, while **SC Johnson** reported they will roll out approximately 25-40 refill stations before the end of 2021 in the UK, Germany, Belgium and the Netherlands, with 'significantly more to follow' in 2022.

In general, there is a concerning lack of ambition and action on reuse, in particular among the 26% of signatories who indicated no increase in their percentage of reusable packaging, as well as no pilots in place or planned. However, even for those with pilots in place, few are showing meaningful ambition in these activities, with most focusing on pilots for very few products in very few markets only. 61% of brand, retailer, and packaging producer signatories had no more than three pilots delivered or planned, and 56%

FIGURE 8

The proportion of signatories with reuse models or pilots in place has increased

% of brand, retail, and packaging producer signatories at different stages of engagement with reuse

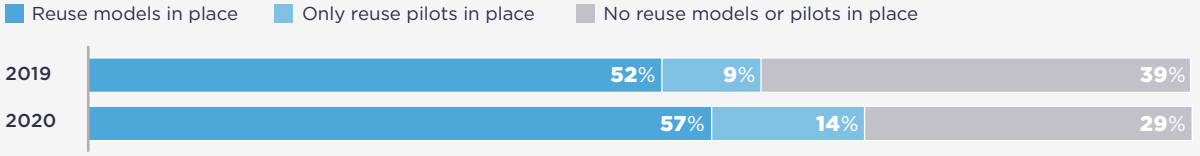


FIGURE 9

However, the vast majority of plastic packaging remains single-use, and the share of reusable plastic packaging has decreased for brand and retail signatories...

Share of reusable plastic packaging for brand and retail signatories reporting in both 2019 and 2020 (% of weight)

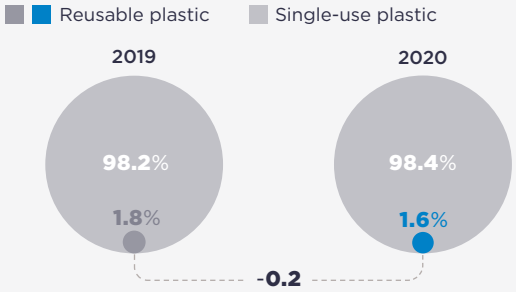


FIGURE 10

...and a majority of signatories are still reporting 0% reusable plastic packaging

Distribution of reusable plastic packaging percentages reported by brand, retail, and packaging producer signatories

didn't launch any pilots over the reporting period. Given the time required to scale reuse models, it will be vital to see investment in piloting efforts rapidly increase in order to achieve any meaningful shift by 2025.

A small minority of signatories have begun to signal their ambition on reuse by setting quantitative targets to make reuse solutions available across a specific number of product lines or stores. These include cosmetics companies **L'OCCITANE en Provence**, aiming to roll out reuse solutions across all 3,000 of their stores, and **NATURA COSMETICS**, with a target to offer reuse models across 50% of their 166 product lines. However, no signatory has yet indicated a target to deliver a minimum share of product units or revenues via reuse models.

Business signatories appear to be focusing more on refill over return-based models, with cosmetics and personal care products, beverages and cleaning products and markets in Western Europe and North America a focus for future expansion

As last year, the most common product categories for which reuse models were reported to be in place were non-alcoholic beverages as well as cosmetics and personal care products. Over this year, cleaning products have been an area of increasing focus with 58% more signatories reporting having reuse models in place for this product category compared to last year. There was also a 23% increase in the number of signatories with reuse models in place for food and nutrition products. Many signatories reported partnering with reuse specialists including **Algramo**, **Loop**, and **MIWA** to deliver these solutions.

From a geographical perspective, as last year, brand and retail signatories most commonly indicated having reuse models available in North America, Europe, and South America. They were least often reported in African markets, but there is evidence of an increase in focus with 12 signatories reporting plans to develop reuse models in Africa, compared to just six last year (+100%).

Looking at the popularity of different types of reuse models, 'Refill at home' (e.g. concentrated refill pods for detergents) and B2B (e.g. reusable pallets within supply chains) models were the models most commonly reported as already being in place, with 26 (+25% compared to last year) and 25 (+5%) signatories respectively indicating they were working with these models. Despite accounting for large volumes of existing reusable packaging (notably those of **The Coca-Cola Company** and **Danone S.A.**, both of which use return-based models to deliver beverages) 'return on the go' was the model least commonly reported as already being in place, mentioned by only 17 companies and with a decrease in the number of companies indicating plans to introduce this type of model (13 companies compared to 22 last year). Looking at future plans on reuse showed, as last year, a strong focus on 'Refill on the go' and 'Return from home' models, as well as an increasing interest in 'Refill at home' models going forward.

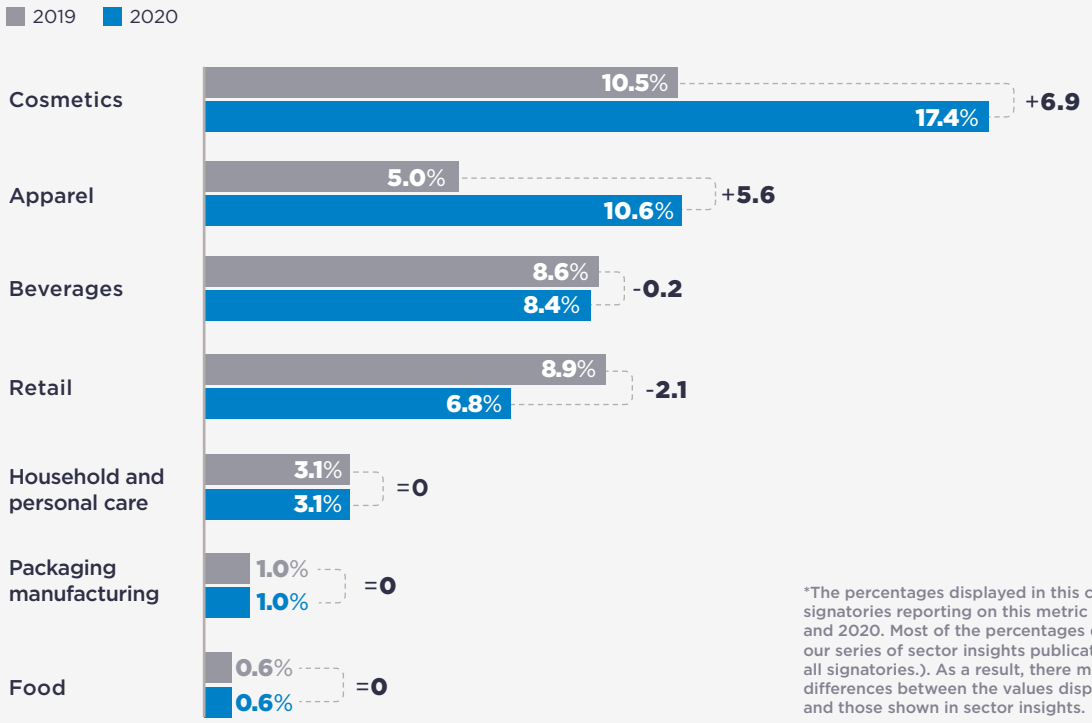
Read more insights on reuse and find leading examples of reuse activities from signatories in our series of sector-based insight papers here

Information on the different reuse model types can be found in the Upstream Innovation Guide.

FIGURE 11

The average share of reusable plastic packaging and progress made on this metric is low for most sectors

*Average share of signatories' plastic packaging that is reusable as a % of plastic packaging weight, by sector**



*The percentages displayed in this chart are for signatories reporting on this metric in both 2019 and 2020. Most of the percentages displayed in our series of sector insights publications are for all signatories.). As a result, there may be small differences between the values displayed above and those shown in sector insights.

Moving beyond the delivery of awareness-raising and education campaigns, an increasing number of governments plan to focus on EPR and economic incentives or disincentives to encourage reuse

Encouragement of voluntary actions, awareness-raising and education campaigns, alongside promotion of collaboration with the private sector and civil society organisations, were the most common measures used to drive progress on reuse by governments in 2020, all cited by at least half of the group. Other reported efforts to increase adoption of reuse models included support for pilot projects or reuse solutions or systems that include establishing mandatory requirements to provide products in reusable formats, especially in the retail and catering sector.

Notable new examples of progress or planned actions on reuse by governments reported this year include:

- **France** has specified that at least 50% of its objective to decrease single-use plastic packaging by 20% by 2025 must be obtained by reuse of packaging (including bulk sale, refills, and deposit return schemes). Going forward, France also mentioned that EPR organisations will have to annually commit at least 2% of the contributions they receive to the development of solutions for the reuse of packaging.
- **Chile** plans to roll out a single-use plastics law to make it mandatory for supermarkets and other marketers to offer a minimum of 30% of beverages in returnable bottles, as well as for e-commerce sales from 2024 onwards.
- **Copenhagen** is planning to establish test-zones for reusable take-away packaging in areas of the city with most take-away activities, with three test zones for containers planned in 2021. For major events held in municipal owned areas, Copenhagen aims to achieve 100% reusable cups or packaging from the national deposit return scheme by 2024.
- As of 2022, **Portugal** will oblige businesses in the hotel sector to keep tap water and sanitised glasses available to customers for consumption on site. From 2023, drinks consumed on-site will have to be provided in reusable format, when such formats are available on the market and vendors selling ready-to-eat meals and bulk products will have to accept reusable containers brought by customers.
- **Ljubljana** is promoting drinking fountains to decrease the need to buy bottled water. There are 44 public drinking fountains in Ljubljana, visible on a dedicated app.
- In the **United Kingdom**, the Welsh government committed GBP 200,000 towards a refill scheme to promote free drinking water access instead of using single-use plastic bottles, and reported having 1,947 refill points in 2020.

Looking at future plans to encourage reuse, more government signatories indicated plans to establish or revise economic incentives such as subsidies (a third of all governments), economic disincentives such as taxes or charges (six governments, up from just one doing so in 2020), and Extended Producer Responsibility schemes (six governments, up from four doing so in 2020).

Refillable deodorant, Unilever

3 REUSABLE, RECYCLABLE, OR COMPOSTABLE

WHY DESIGN FOR REUSE, RECYCLING, OR COMPOSTING?

In a circular economy, every unit of packaging should be recyclable or compostable and, where possible, also reusable. Achieving this requires a combination of redesign and innovation in business models, materials, packaging design, and reprocessing technologies. Designing packaging to be reusable, recyclable, or compostable (the focus of this chapter) is a crucial first step towards ensuring it is effectively reused, recycled, or composted in practice (the focus of Chapter 4).

KEY INSIGHTS

The share of signatories' plastic packaging that is reusable, recyclable, or compostable increased only marginally in 2020

Signatories continue to work to adapt their packaging portfolios to improve their recyclability scores, using a combination of four strategies

However, many signatories face significant challenges meeting their 2025 targets due to having large proportions of currently non-recyclable packaging types, in particular flexible packaging, in their portfolios

Governments have focused primarily on voluntary actions and awareness-raising to incentivise reusable, recyclable, or compostable plastic packaging. Few have put in place regulatory measures involving EPR, on-pack labelling or economic incentives or disincentives

Removal of green pigment in 7UP bottles, PepsiCo

The share of signatories' plastic packaging that is reusable, recyclable, or compostable increased only marginally in 2020

Brand and retail signatories reported that 64.8% of their plastic packaging was reusable, recyclable, or compostable in 2020, with a relatively high proportion of recyclable plastic packaging (64.0%), but only a small amount of reusable packaging (1.6%) and a very small amount of compostable packaging (0.01%).[12]

The impact of the COVID-19 pandemic on 2020 consumption patterns, with changes in the volumes of different products sold involving shifts away from and towards categories with recyclable or reusable packaging, have limited the ability to compare year-on-year data somewhat, in particular for sectors which saw bigger shifts. However, the overall proportion of reusable, recyclable, or compostable packaging increased by 0.5 percentage points for signatories reporting in both years, with recyclable packaging increasing slightly by 0.7 percentage points, reusable packaging decreasing slightly by 0.2 percentage points, and the proportion of compostable packaging remaining flat at 0.01%.

Looking at trends across different consumer goods sectors, the beverages and household and personal care sectors reported the highest proportion on average of reusable, recyclable, or compostable packaging as a result of their high use of widely recycled rigid packaging formats and materials such as PET and HDPE bottles. The food, retail, and cosmetics sectors reported on average significantly lower proportions of recyclable packaging, as a result of their large volumes of smaller format and flexible packaging formats which are not recyclable in practice and at scale today.

FIGURE 12

Signatories marginally increased their share of reusable, recyclable, or compostable plastic packaging, which was driven entirely by progress on recyclability

Growth in the share of reusable, recyclable, or compostable plastic packaging for brand and retail signatories reporting in both 2019 and 2020 (% of weight)

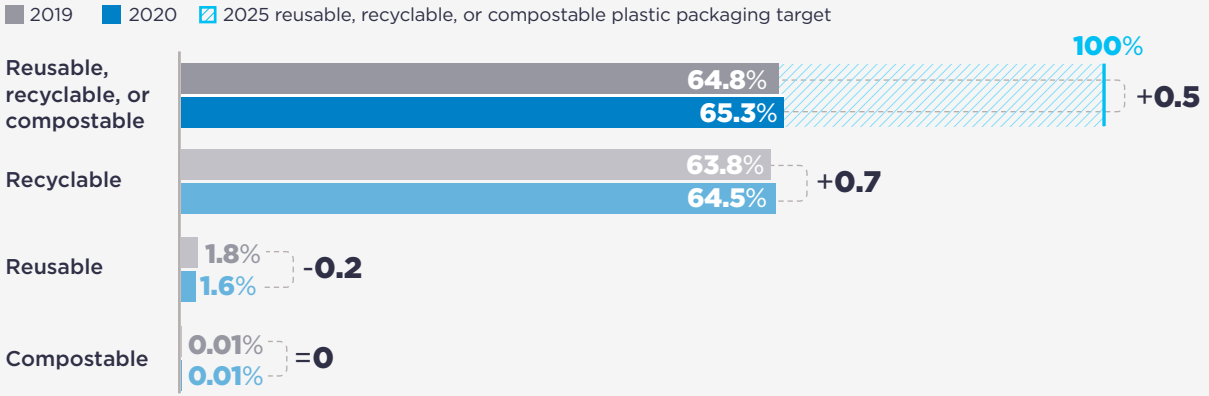
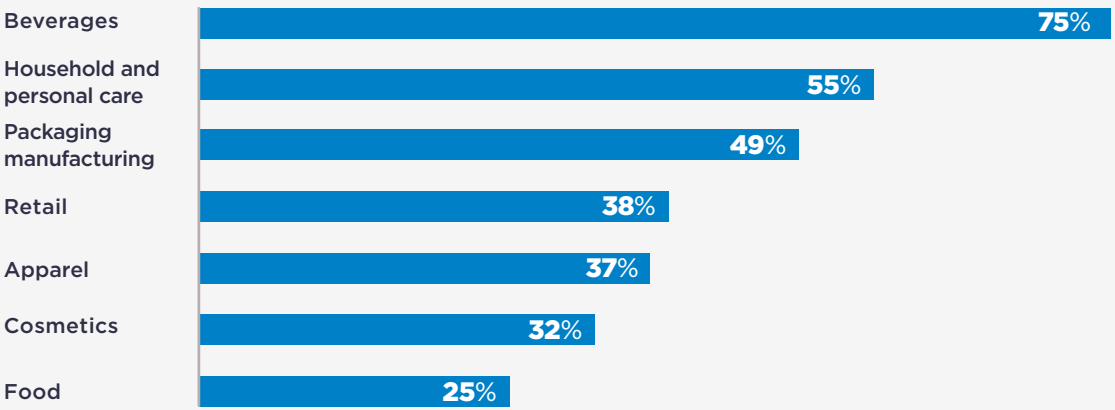


FIGURE 13

Sectors using higher proportions of flexible and small format packaging tend to have lower shares of recyclable packaging

Average share of recyclable plastic packaging as a % of total plastic packaging weight, by sector



Signatories continue to work to adapt their packaging portfolios to improve their recyclability scores. This activity can be broken into four categories:

Changes for packaging categories for which a system for recycling at scale currently exists (69% of signatories' plastic packaging):

1 **Changes to packaging to ensure it 'fits' existing recycling systems.** For some packaging, while scaled systems to recycle the broad category they fit into do exist, particular features – such as caps, fixtures, or labels – mean they do not 'fit' that system and can't be recycled. Some signatories have been working on re-designing these packaging types to render them recyclable. These design changes have driven small increases in recyclability scores. Examples include removal of undetectable carbon black pigment (referenced in Chapter 1 on Elimination), which does not allow packaging to be identified during sorting for recycling, and removal or redesign of components such as caps, lids, pumps, and trigger sprays that can prevent items from being processed for recycling. Changes of this sort have potential to increase overall recyclability for the group by up to 5 percentage points, from 64% to 69%.

2 **Changes to packaging to increase efficiency of the sorting and recycling process or the quality of output.** Many of these efforts have been identified as part of reporting on elimination efforts, such as removal or replacement of labels to improve the ease of recycling, and substituting coloured PET for clear PET. This also includes efforts to improve plastics sorting prior to recycling, with 15 brand, retailer and packaging producer signatories referencing Digimarc's digital watermarking technology as an area of exploration (see next chapter). While these changes do not affect recyclability scores, they are essential to increase the quantity of high-quality recycled content available, and to improve efficiency and returns for recyclers.

Changes for packaging types for which a system for recycling at scale does not currently exist (the remaining 31% of signatories' plastic packaging):

3 **Design changes aiming to increase the suitability of packaging for recycling and facilitate the establishment or scaling recycling systems.** Recycling must be proven to work 'in practice and at scale' for packaging to be considered recyclable under the Global Commitment. This means that these redesign efforts – which include changes such as substituting multi-materials for mono-materials, and other changes referenced in (1) and (2) – when applied to packaging types for which a system for recycling at scale does not currently exist, will not have an immediate impact on reported recyclability percentages. However, it is important to recognise these efforts as they are necessary steps to improve percentages over time for categories of packaging for which recycling systems are scaling up — as a result, some signatories this year reported an optional additional metric on the proportion of their packaging that is 'designed for recyclability', which is displayed in individual signatory progress reports.

4 **A move away from certain formats or materials for which no scaled system for recycling exists.** Many signatories are choosing to move away from some non-recyclable categories of packaging. Beyond phasing out some of the most commonly identified problematic categories such as PVC, PS, and EPS (referenced in Chapter 1), examples include complete removal of some categories of flexible plastics (such as secondary films on multi-buy products), and substitution towards other packaging formats or materials. These efforts are also driving small increases in recyclability scores.

Other efforts in this area are not addressing packaging design but are instead focussed on creating or stimulating the scaling of establishment or collection and recycling systems. These activities are covered in the next chapter.

Read more insights on how signatories are working towards making 100% of their plastic packaging reusable, recyclable, or compostable in our series of sector-based insight papers here.

More information on solutions to make packaging reusable, recyclable, or compostable can be found in the Upstream Innovation Guide.

However, many signatories face significant challenges meeting their 2025 targets due to having large proportions of currently non-recyclable packaging types, in particular flexible packaging, in their portfolios

The results of the 2021 New Plastics Economy Recycling Rate Survey, used by signatories to support reporting on recyclability, were in line with those of the 2020 Survey, indicating just five categories of plastic packaging meet the threshold for the Global Commitment definition of recyclable today — these are: PET bottles, HDPE bottles, HDPE other rigids, PP bottles, and >A4 mono-material PE flexibles in a B2B context.[13]

Many signatories are taking action to eliminate some categories of plastic packaging not considered recyclable in practice and at scale including PVC, PS, and EPS, with potential to increase overall recyclability for the group by up to 2 percentage points if entirely eliminated. However, many signatories use large volumes of other categories not considered recyclable in practice and at scale today, most notably flexible consumer packaging, which represents 18% of signatories' plastic packaging weight, and therefore face a significant related challenge to fully meet the 100% target by 2025.

A breakdown of packaging reported by Global Commitment signatories and for the global market as a whole, with an indication of recyclability according to the Global Commitment definition and results of the 2021 New Plastics Economy Recycling Rate Survey, can be found in the appendix to this report.

Governments have focused primarily on promoting collaboration with the private sector and encouraging voluntary actions to incentivise reusable, recyclable, or compostable plastic packaging. Few have put in place regulatory measures involving EPR, on-pack labelling or economic incentives

In 2020, Governments mostly focused on promoting collaboration with the private sector, including small and medium-sized enterprises, and civil society organisations and encouraging voluntary actions to incentivise the use of reusable, recyclable, or compostable plastic packaging, with around 40% of governments implementing each action, respectively. Looking forward, while the above actions continue, the number of governments looking to develop or review regulations, standards, or guidelines, such as standards for on-pack recyclability claims, will increase, with 44% of governments having either implemented these actions in 2020, or looking to implement them by 2025.

Notable new examples of progress or planned actions led by governments to incentivise reusable, recyclable, or compostable plastic packaging by 2025 reported this year include:

- **Peru** is looking at establishing requirements for single-use plastic bags and cutlery or tableware to be reusable, recyclable, or compostable.
- **Rwanda** is developing a draft law establishing an environmental levy on imported consumer goods in single-use plastic packaging.
- Several local and national governments are also looking at public procurement to encourage reusable, recyclable, or compostable plastic packaging. This includes **Copenhagen**, which along with planning to reduce single-use plastic packaging in the City, has established new guidelines incorporating recyclability criteria for packaging used in fresh food procurements and **France** which set an objective to have 10% of government bottles and flasks purchased as reusable products.
- The **United Kingdom** government is supporting the UK Plastic Pact which includes members responsible for 80% of plastic packaging sold through UK supermarkets, and has a target for 100% of plastics packaging to be reusable, recyclable, or compostable by 2025.

A number of governments (22%) also reported using EPR policies to drive actions in this area to incentivise the use of reusable, recyclable, or compostable plastic packaging. These included **Chile**, **France** and the **United Kingdom**, who in their EPR schemes will include fees for producers depending on the recyclability of their packaging, amongst other criteria. As part of its consultation with the Welsh and Scottish governments as well as the Northern Ireland Executive on its EPR scheme, the **United Kingdom** is proposing that mandatory recyclability labelling should be introduced as soon as is feasible.

How are recyclability and compostability assessed in the Global Commitment?

The definitions used by Global Commitment signatories to assess the proportion of recyclable or compostable packaging in their portfolios are more stringent than most other definitions.

The commitment to 100% reusable, recyclable, or compostable plastic packaging by 2025 is based on definitions that ask signatories to go beyond designing packaging for the technical possibility of recycling or composting, and requires that recycling or composting is proven to work 'in practice and at scale' for any given packaging design. The threshold to prove recycling or composting works 'in practice and at scale' is a 30% recycling/composting rate achieved across multiple regions, collectively representing at least 400 million inhabitants. To support reporting on recyclability, the Ellen MacArthur Foundation has for the last two years conducted a global survey of organisations with expertise on recycling rates with the aim of filling gaps in data required to provide evidence of where these thresholds are being met. The results of this exercise are available here.

The 'in practice and at scale' requirement and suggested thresholds result in some signatories reporting low or moderate recyclability percentages today. The thresholds also mean that progress towards 2025 targets can be expected to follow a 'lumpy' trajectory (e.g. if infrastructure to collect and recycle certain high-volume categories of packaging reaches the threshold scale requirement, recyclability scores would increase significantly). However, these definitions set a clear 2025 ambition level. Working towards this level of ambition and creating transparency on current recyclability percentages demonstrates the commitment of signatories to driving change at scale.

It should be noted that recyclability and compostability percentages reported as part of the Global Commitment are not comparable to assessments and claims of recyclability using different definitions or methodologies. The definitions of recyclability and compostability used in the context of the Global Commitment are designed to be applied at a global level and are not linked to any specific geographical area, local context, or regulations, or on-pack recyclability or compostability labels.

Full details of the definitions and suggested assessment methodology for Global Commitment signatories are available in the Global Commitment reporting guidelines document here.

To ensure full transparency, signatories were asked to explicitly confirm if they had strictly followed the suggested methodology. If they hadn't, they were asked to explain any deviations from the suggested methodology and provide evidence used to support this decision. All of this information is available on a company-by-company basis here. Overall, the quality and consistency of reporting on recyclability has increased significantly compared to last year, with the number of signatories deviating from the suggested methodology decreasing by 55%. While a number of companies deviated from the suggested methodology, and while deviations for certain individual signatories may have been significant, the impact of any deviations on aggregate data is relatively small. Based on the data available, we estimate that if all brands and retail signatories had strictly followed the methodology, the share of recyclable packaging would be around 2 percentage points lower than the currently reported 64%.

4 REUSE, RECYCLING, OR COMPOSTING IN PRACTICE

WHY REUSE, RECYCLING, AND COMPOSTING IN PRACTICE?

Designing all packaging to be reusable, recyclable, or compostable (the focus of the previous section) is a necessary first step, but a circular economy is only realised if packaging is actually reused, recycled, or composted in practice. Next to circular packaging design, this requires the necessary systems to be in place to collect, sort, and effectively reuse, recycle, or compost the packaging. This section focuses on signatories' efforts and commitments to put these systems in place.

KEY INSIGHTS

Recycler signatories grew their total recycling output by 12% between 2019 to 2020, with capacity heavily weighted towards PET recycling

There is now broad support for EPR from businesses across the value chain, with many brands and retailers contributing to efforts to drive up recycling rates in specific markets through the Plastic Pact network

Investments in collection and sorting technologies and infrastructure continue to be made, with building momentum on digital watermarking technology

Governments are increasingly investing in collection and recycling infrastructure, and are implementing deposit return schemes and EPR policies to ensure financing for after-use systems

Recycling facility in Tianjin, INCOM RECYCLE Co., Ltd. Beijing

Recycler signatories grew their total recycling output by 12% between 2019 to 2020, with capacity heavily weighted towards PET recycling

Total recycling output for signatories in the 'recycler' category was around 1.5 million metric tonnes in 2020, with growth of 12% compared to 2019 for signatories reporting in both of the last two years.[14] The growth for signatories reporting in 2018 and 2019 was 9%, suggesting that, despite a number of recyclers reporting that the COVID-19 pandemic had a significant impact on their operations and outputs, growth in recycling output may have still accelerated over the period. The increase seen was largely driven by **Veolia's** strong growth in recycling output – up 43% compared to the prior year – however half of all recyclers did report a year-on-year increase in their recycling output, with these signatories reporting an average of 21% growth.

This year data on the types of polymers being processed by recycler signatories was collected for the first time, which highlighted the heavy focus on PET — recycled by 90% of recycling signatories and accounting for 53% of the total output for signatories sharing this data.[15]

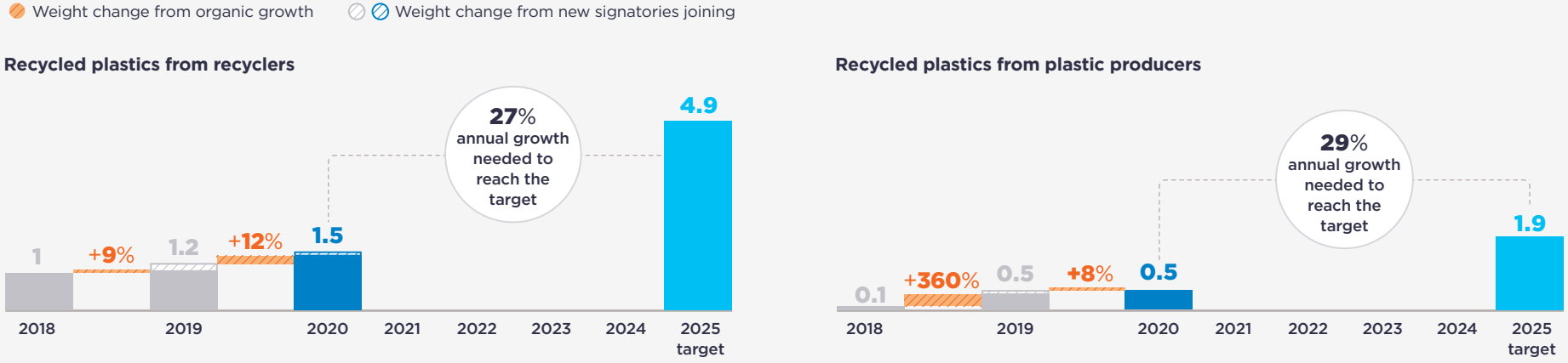
The growth in recycling output was driven by a combination of expansion or increased use of capacity in current facilities, acquisitions of existing facilities or build of new ones. This came not just from recycling specialists but also from other businesses from across the plastics value chain – including those engaged in plastics production, packaging production, and even retail. Notable new investments in collection, recycling facilities reported this year included:

- Waste management company **Suez's** start-up of a new LDPE recycling plant in Thailand which will deliver 30,000 metric tonnes annual capacity and acquisition of a PP recycling plant in Belgium, with capacity for 20,000 metric tonnes.
- Plastic producer **Indorama Ventures** increased its post-consumer recycling production capacity by 46,000 to 346,000 metric tonnes from the prior year. With the acquisition of a PET recycling plant in Texas in summer 2021, as well as the announcement of a plan to build a new PET recycling facility in West Java, Indonesia, their capacity is expected to continue to grow in the next few years.
- Retailer **Schwarz Group's** disposal and waste management company PreZero has in the last year invested in washing and extrusion lines and bought new land in Austria and Italy to increase its recycling capacity from around 70,000 to 90,000 metric tonnes, and begun planning construction of two new recycling plants in Europe — including one which will specialise in production of high-quality HDPE and PP recyclates for use in detergent, hygiene and cosmetic packaging.
- Packaging producer **ALPLA** reported that it had started construction of an HDPE recycling plant with an annual capacity of 15,000 tons (~14,000 metric tonnes) in Toluca, Mexico, with production due to begin in autumn 2021.
- Packaging producer **Envases Universales de México** reported that in March 2021 it inaugurated 'the largest PET recycling facility in the world', with an annual capacity of 60,000 tons (~54,000 metric tonnes) producing FDA-grade resin that is currently being used in the company's beverage products and will enable them to deliver a minimum of 15% of recycled content for the 2022 period.

FIGURE 14

Recyclers and plastic producers increased their production of recycled plastics for the second year in a row

Weight of recycled plastics produced by recycler and plastic producer signatories (millions of metric tonnes)



There is now broad support for EPR from businesses across the value chain, with many brands and retailers contributing to efforts to drive up recycling rates in specific markets through the Plastic Pact network

In 2021 for the first time, more than 150 leading businesses and other organisations from across the packaging value chain, including more than 50 Global Commitment business signatories, publicly recognised that EPR is a necessary part of the solution to create a circular economy for packaging. They acknowledged that EPR schemes, through which all industry players that introduce packaging to the market provide funding dedicated to its collection and processing after use, are the only proven and likely pathways to provide the required funding, and that without them, packaging collection and recycling is unlikely to be meaningfully scaled, and tens of millions of tonnes of packaging will continue to end up in the environment every year. They did that by all endorsing an explicit call for implementation of Extended Producer Responsibility schemes for packaging, mobilised by the Ellen MacArthur Foundation.

Packaging producer, brand, and retail signatories also reported collaborations with other organisations to improve collection, sorting, and recycling systems for the packaging they put on the market. Many referenced participation in industry recycling groups, partnerships to establish or support recycling systems, store take-back schemes, or research into recycling of specific packaging types.

A number of signatories shared efforts aimed at either scaling collection and recycling rates for specific polymers or packaging types, or driving up overall recycling rates in specific markets. This included the 42% of signatories who reported they have now joined one or more of the Ellen MacArthur Foundation's Plastic Pact network.[16] In doing so they will contribute towards driving progress on the pacts' targets to increase recycling rates in their area. Some multinational signatories are investing significantly in Pact efforts by joining multiple pacts, including: **Veolia**, **Danone S.A**, **Unilever**, **Schwarz Group**, **Mars, Incorporated**, **The Coca-Cola Company** and **Nestlé.** In 2020, **Keurig Dr Pepper**, a member of the US and Canada Plastic Pacts, announced a commitment of USD 10 million over the next five years to The Polypropylene Recycling Coalition, aimed at increasing the collection and recycling of PP in the United States.

Investments in collection and sorting technologies and infrastructure continue to be made, with building momentum on digital watermarking technology

The number of brand, retailer and packaging producer signatories exploring digital watermarking technology continues to grow with 17 signatories in total mentioning it in their progress reporting. In cooperation with project HolyGrail, **Digimarc Corporation** has continued work on its digital watermarking solution for sorting plastics in mixed waste streams. The company reported that it is progressing with HolyGrail 2.0 — a follow-up from project HolyGrail that emerged as part of the Ellen MacArthur Foundation's New Plastics Economy initiative — which now involves more than 130 partners and has passed its initial testing phase. Moreover, they report that they are working with two optical sorting equipment manufacturers, representing approximately 80% market share, to integrate Digimarc detection technology into detection units for HolyGrail 2.0.

Encorp Pacific (Canada) expanded its Express solar panelled recycling stations to 13 additional locations to grow the quantity of beverage containers recycled. The stations have longer drop off hours and a small format, which enable them to be placed in high-density urban areas or in hard-to-service rural areas, where siting a traditional depot is challenging. In 2020, 26.4 million plastic beverage containers were captured for recycling through its Express system.

Governments are increasingly investing in collection and recycling infrastructure, and are implementing deposit return schemes and EPR policies to ensure financing for after-use systems

To drive up collection and recycling rates, 61% of governments invested in collection and recycling infrastructure in 2020. This includes **Scotland**, who launched a GBP 70 million Recycling Improvement Fund to improve local authority infrastructure, **New Zealand**, who invested NZD 35 million to improve recycling systems, and the **United Kingdom** who invested GBP 20 million into four plastic reprocessing facilities to support the development of new technologies to recycle plastic waste. **Buenos Aires** reported installing curbside recycling containers every 150 meters, and the delivery of around 800 recycling bins to government buildings and schools. Lastly, **France** reported that its Agency for Ecological Transition (ADEME) will provide EUR 55 million to support modernisation of sorting centers for packaging; sorting innovation and technologies; and selective sorting in the public space. In addition, CITEO, the main EPR organisation for household packaging in France, is providing EUR 150 million between 2018 and 2022 to local authorities to expand the types of plastic packaging collected and sorted for recycling beyond bottles and flasks to cover other formats. Several governments did mention that the COVID-19 pandemic had an impact on waste collection and recycling in their jurisdiction. To support the informal sector through this, **São Paulo** rolled out a programme to provide emergency conditional cash transfers for formal and informal pickers to allow workers to isolate in quarantine.

Going forward, governments are also focusing on promoting deposit return schemes and EPR schemes to ensure financing for after-use systems and improve collection rates, with 72% and 50% of governments already implementing or planning to take these measures by 2025. New examples of actions to increase collection, sorting, and recycling rates, and facilitate the establishment of the necessary infrastructure and related funding mechanisms include:

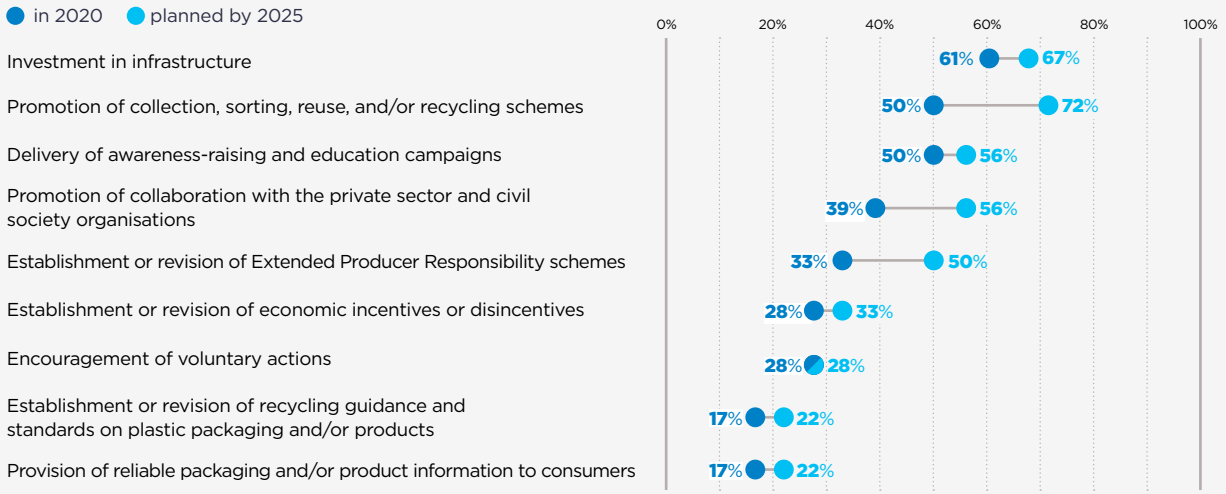
- **Chile** approved an EPR packaging regulation in march 2021, which establishes collection and recycling goals for packaging that will be mandatory from the year 2023.
- **Copenhagen** is working with the Danish Deposit Return Scheme to include collection of deposit bottles at public facilities such as kindergartens and schools.
- In **Rwanda**, a study was carried out to identify the amount of waste plastics generated in the capital Kigali, the amount and types of plastic waste covered under the recycling programme, the contributions from manufacturers and importers, and proposed market rates for collectors and recyclers. The country also reported that a deposit return scheme will be put in place to involve plastic manufacturers in managing plastic waste.
- **Buenos Aires** reported the establishment of a committee with HDPE producers to increase the collection of this plastic.
- **New Zealand** plans to consult in early 2022 on a new standardised national kerbside collection system to improve rates of packaging not sent to landfill, reduce consumer confusion and support higher quality recyclables.

In total, 39% of governments are tracking quantitative information on plastic collected, sorted, recycled or composted and 33% have targets to increase these volumes by 2025. Although so far it is limited to a third of government signatories, this number is expected to increase going forward with these targets set to become a mandatory requirement as part of the Global Commitment in 2022.

FIGURE 15

Many governments are working on promoting collection, sorting, reuse, or recycling schemes, and investing in infrastructure

% of governments reporting taking each measure



5 DECOUPLING

WHY DECOUPLING?

Moving towards a circular economy for plastic packaging involves decoupling from finite (fossil) resources. This is achieved first and foremost by drastically reducing the need for virgin plastics through elimination, reuse, and use of recycled content. Then, over time, any remaining virgin inputs must be switched to renewable feedstocks that are proven to come from responsibly managed sources and to be environmentally beneficial.

KEY INSIGHTS

Brands and retailers in the Global Commitment have now reduced their use of virgin plastic in packaging for two years in a row — a trend that is set to continue with mandatory reduction targets

Progress and ambition levels on reducing virgin plastic in packaging have been largely driven by growth in use of post-consumer recycled content, which has increased by 60% since 2018

To accelerate and sustain the reduction in virgin plastic, signatories will need to go beyond growing recycled content to increase focus on reducing the need for single-use packaging in the first place

There was little evidence of signatories increasing renewable content in their plastic packaging, however producers of compostable plastics are showing strong growth in output

A number of governments in Europe are joining businesses in setting reduction targets, delivering these through their support for Plastic Pacts in their jurisdiction

100% recycled PET bottle, L'Oréal

Brands and retailers in the Global Commitment have now reduced their use of virgin plastic in packaging for two years in a row — a trend that is set to continue with mandatory reduction targets

Brands and retailers in the Global Commitment have now collectively reduced their use of virgin plastic in packaging for two years in a row, with a decrease of 1.2% between 2020 and 2019, following a 0.6% decrease between 2018 and 2019. This follows decades of exponential growth in the industry's consumption of virgin plastics, during which the global plastics market grew from around 2 million metric tonnes in 1950 to more than 300 million metric tonnes in 2015.[17]

In 2021, with the objective of steering signatories' actions further towards reducing their use of plastic packaging and virgin plastic in packaging in absolute terms, and thereby mobilising increased attention, ambition levels and investment for elimination and reuse, the Global Commitment introduced a new mandatory target. It is now a requirement for all brand and retail signatories to set targets to reduce their total weight of plastic packaging and/or virgin plastic in packaging, in absolute terms, by 2025. As of October 2021, 70% had set reduction targets for virgin plastic in packaging, and 24% total plastic packaging reduction targets, with the rest of the group committed to set targets in the coming months.[18]

As a result of these targets, the group is expected to reduce its use of virgin plastic in packaging by 19% between 2018 and 2025 – a significant fall which would mark, for the first time, a decoupling of business growth from the consumption of virgin plastic among leading brand and retail companies. By 2025, combined with recycled content targets of other signatories, this would avoid an estimated 8 million tonnes of virgin plastics from being produced each year – keeping 40 million barrels of oil in the ground annually.[19]

Progress and ambition levels on reducing virgin plastic in packaging have been largely driven by growth in signatories' use of post-consumer recycled content, which has increased by 60% since 2018[20]

The use of post-consumer recycled content in plastic packaging increased by a substantial 29% for brand and retail signatories in 2020, with the group now at 8.2%.[21] This increase for the group as a whole contributed significantly to the decrease in use of virgin plastics in packaging, and represents an acceleration of the 23% growth seen between 2018 and 2019, indicating a promising early trajectory towards signatories' combined 2025 target of 26% post-consumer recycled content. If the signatory group is able to maintain this roughly 30% annual growth rate, they will be on track to meet their 2025 combined target of 26% (see figure 16).[22] However, maintaining this growth rate will increasingly require signatories to address incorporation of recycled content into more challenging packaging types, moving beyond the current focus on rigid PET packaging.

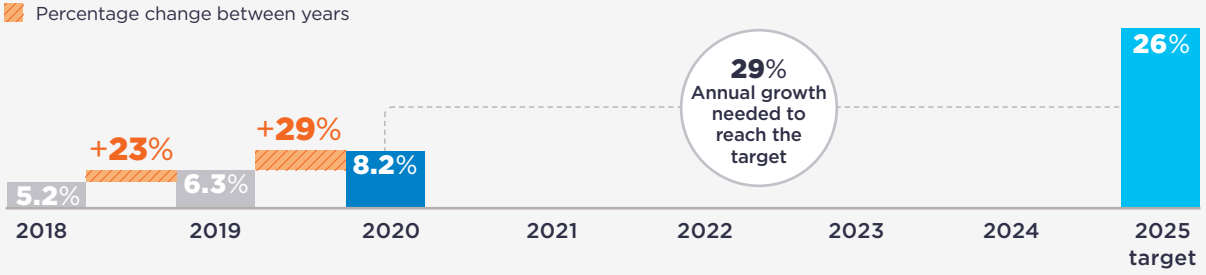
The progress reported by individual signatories — as last year — was mixed. Some made significant jumps, with 17 signatories (up from 13 the prior year) increasing their post-consumer recycled content by four or more percentage points in 2020: **ASOS**, **Carrefour**, **Coca-Cola FEMSA**, **Condé Nast**, **L'Oréal**, **L'OCCITANE en provence**, **LPP**, **NATURA COSMETICS**, **Pernod Ricard**, **Pöppelmann**, **S Group**, **Schwarz Group**, **Serioplast**, **Stella McCartney**, **Termoencogibles**, **Unilever** and **Zespri**. However, 35 signatories (41%) did not increase recycled content, or saw it decrease. Looking at the types of recycled content and packaging that signatories were working on, there was a continued clear focus on PET and HDPE bottle-based applications for many signatories, which was in line with these packaging types being widely recycled, and PET accounting for 53% of 2020 output for recycler signatories.[23]

For producers of non-compostable plastics to become part of the circular economy and decouple from the use of finite resources, it is crucial that they shift their business model from one based on extraction of finite resources to one based on the circulation of materials. So far, just seven producers, covering less than 5% of global plastic production, have committed through the Global Commitment to start making that shift by setting quantitative targets to increase the share of recycled plastics in their total plastics sales by 2025. Some of those who have committed made significant progress in the last year — notably, **Indorama Ventures** grew its recycling capacity by 15% and increased its proportion of post-consumer recycled content to 6% (an increase of 9% from the prior year).

FIGURE 16

Brand and retailer signatories have significantly increased their post-consumer recycled content in plastic packaging for the second year in a row

% (weighted average) of post-consumer recycled content in plastic packaging for brand and retail signatories



Plastic packaging reduction targets in the Global Commitment

In 2020, it became mandatory for brand and retail signatories to set targets to reduce total plastic packaging or use of virgin plastic in packaging by 2025. Plastic packaging reduction targets can manifest in a variety of ways. Below is an overview of different types of reduction targets that can be set, and the specific requirements for reduction targets to be accepted within the Global Commitment, aimed at maximising their transparency and consistency.

To be accepted in the Global Commitment, targets must be formulated as an absolute reduction in the total weight of plastic packaging by 2025, or as a reduction in the total weight of virgin plastic in packaging by 2025. They should be set against a recent, historical baseline, and expressed in line with the following structure:

"By 2025, we will reduce our total annual [plastic packaging / virgin plastic in packaging] by [xx] % compared to [xx] mln tonnes in 20[xx]"

	Accepted in the Global Commitment	Not accepted in the Global Commitment
What is being reduced?	✓ **Total weight of plastic packaging or virgin plastic in packaging** Signatories are permitted to express targets either as a reduction of total plastic packaging weight, or as reduction of total virgin plastic (from both finite and renewable sources) in packaging. Given the need for reduction in the overall amount of plastic packaging, as well as the amount of virgin plastic in packaging, virgin reduction targets are expected to be underpinned by efforts on reuse and elimination, and not exclusively based on increasing recycled content.	X **Virgin fossil-based plastic in packaging** Targets to reduce virgin fossil-based plastic cover efforts to increase renewable content as well as those on recycled content and reducing plastic packaging volumes overall. To avoid detracting focus from efforts on overall reduction – delivered through elimination and reuse – by incorporating an overly broad set of contributing measures, these types of targets are not accepted. X **Reduction of packaging made from other materials and other products** There is a need to reduce overall packaging volumes, regardless of material. However, the focus of the Global Commitment is specifically on plastic packaging.
How is the reduction calculated?	✓ **'Absolute' reduction** To build an economy that can thrive long term, there is a need for absolute – not relative – decoupling from fossil fuels, and an absolute reduction in the negative impacts on the world's natural systems. As a result, reduction targets in the Global Commitment must be calculated in absolute terms against the total amount of plastic packaging (or virgin plastic in packaging) in the baseline year.	X **'Relative' reduction** Reduction targets measured relative to sales (e.g. 'intensity' per dollar of revenue or units sold), or a future estimated scenario (e.g.. versus a projected total for a year under 'BAU') or any other 'relative' benchmark are not accepted. Dependent on levels of actual or assumed organic growth, these types of targets can result in widely varying levels of actual reduction and, in some cases, growth in absolute levels of plastic packaging or virgin plastic use.
What baseline is used?	✓ **Published total weight for a recent year (2017 or later)** Reduction should be calculated against a recent, historical base year for which the total weight of plastic packaging has been calculated. This baseline weight must be reported publicly to ensure transparent measurement of progress, and will be used to show how much progress has been made against targets through annual progress reporting as part of the Global Commitment.	X **Baselines that aren't published** Transparency on the baseline weight is critical to measure progress against the target set and as such ensure credibility of the commitment. X **Baselines for any year before 2017** This is aimed at ensuring similar timelines across signatories and focusing measurement on recent efforts and progress achieved since the launch of the Global Commitment, in line with other commitments made.
What is the timeline for achievement?	✓ **2025** Reduction targets must be set to be delivered by 31/12/2025. This reflects the need to start acting now, and is aligned with all other commitments signatories have made as part of the Global Commitment.	X **Any timeline beyond 2025** While some signatories may have separately set 2030 targets and communicated these elsewhere, the Global Commitment requires that at least an intermediary 2025 milestone is set in this case.

To accelerate and sustain the reduction in virgin plastic, signatories will need to go beyond growing recycled content to focus on reducing the need for single-use packaging in the first place

To achieve a circular economy for plastic, it is clear that substantially more effort will need to go into preventing waste from being created in the first place. Demand for plastic packaging is predicted to double over the coming two decades, and future scenarios focused on collection, recycling and disposal alone have been shown to fall short, with high ocean leakage and GHG emissions.[24] As a result, businesses will need to move beyond focus on recycled content and recyclability, and invest significantly more in elimination and reuse solutions to curb growth in the total amount of packaging that needs to be circulated.

Despite a reduction in the use of virgin content in plastic packaging, the total weight of plastic packaging reported by brand and retail signatories increased by 0.5% between 2019 and 2020.[25] While it is positive that this is below the estimated 2.6% growth rate for the global plastic packaging market as a whole, overall reduction remains crucial to accelerating and sustaining reduction in virgin plastic in packaging, and ultimately to addressing plastic pollution.[26]

In recognition of this, 15 brand and retail signatories (24%) have gone beyond setting virgin plastic reduction targets incorporating efforts on elimination and reuse to also — or exclusively — set targets to reduce their overall use of plastic packaging in absolute terms. Some are already reporting progress on these targets. This includes **Unilever**, which has set a target to reduce their total plastic packaging by 100,000 metric tonnes by 2025, with a 10,000 metric tonne reduction delivered in 2020, and **Apple**, which has a target to fully eliminate plastic in its packaging by 2025 with 15% reduction delivered since 2018.

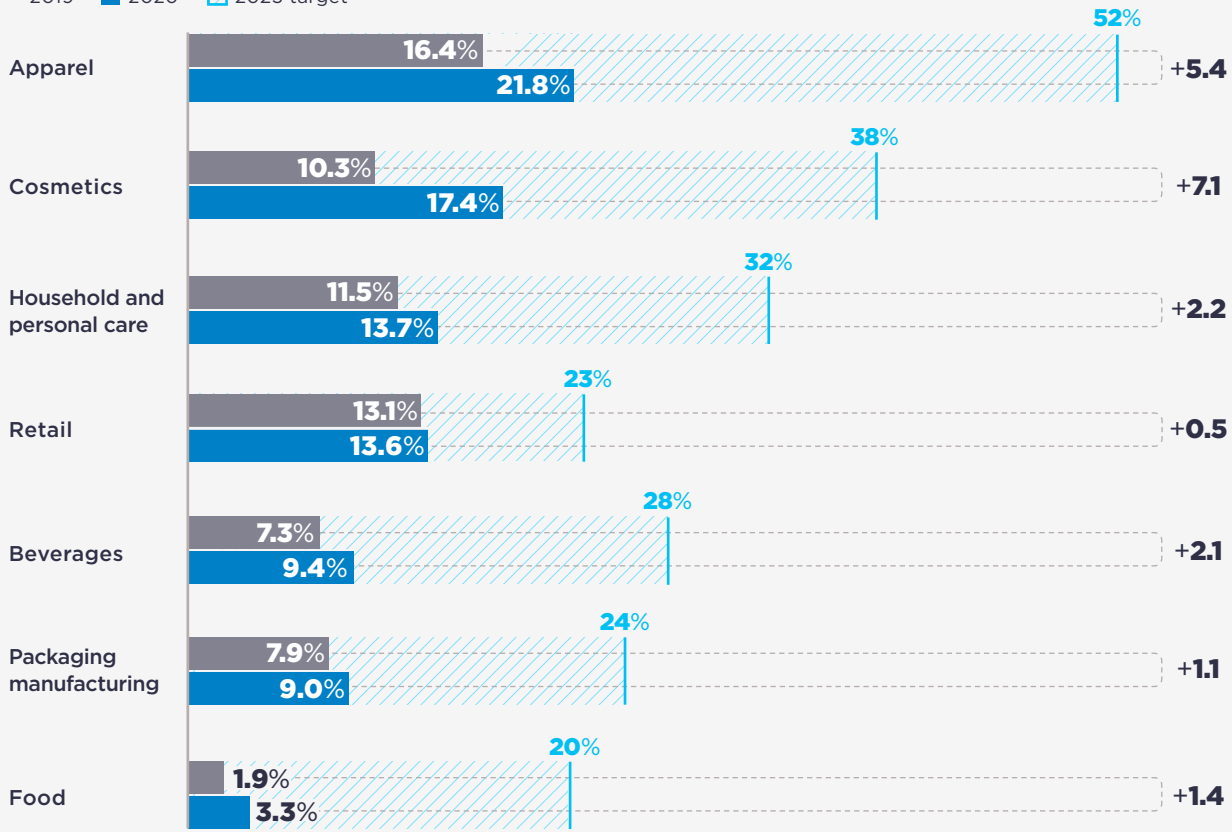
There was little evidence of signatories increasing renewable content in their plastic packaging, with mixed progress by producers of compostable plastics towards targets to increase the proportion of renewable plastics from responsibly managed sources

The overall proportion of renewable content reported by signatories decreased by 0.3 percentage points compared to last year, from 0.5% to 0.2%, which appears to have been largely driven by temporary sales shifts for larger contributors as a result of the COVID-19 pandemic. 15 signatories did however report small increases in the percentage of renewable content used in their packaging.

FIGURE 17

Almost all sectors made promising progress towards their 2025 post-consumer recycled content targets

*Average share of post-consumer recycled content in plastic packaging as a % of total plastic packaging weight, by sector**



*The percentages displayed in this chart are for signatories reporting on this metric in both 2019 and 2020. Most of the percentages displayed in our series of sector insights publications are for all signatories.). As a result, there may be small differences between the values displayed above and those shown in sector insights.

Three compostable plastic producer signatories reported on their work to increase the proportion of renewable content from responsibly managed sources in their plastics. **NatureWorks** was the only one of the three to report progress on increasing their proportion from the previous year, having increased the share of their farms certified as being responsibly-managed by ISCC Plus for the second year running, reaching 71% in 2020 (compared to 64% in 2019, and 46% in 2018). **Novamont's** proportion of renewable content from responsibly managed sources remained stable, but the company reported having undertaken research into incorporating new feedstock sources into their plastics, including partnering with an Italian apple producer to use apple waste to create renewable components of bio-based plastics.

A number of governments in Europe are reinforcing the trend among businesses on setting reduction targets, delivering these through their support for Plastic Pacts in their jurisdiction

In 2019, as part of the Plastics Pact Netherlands, the Government of **the Netherlands** together with 110 local businesses set a target to use 20% less plastics by 2025. As part of the European Plastics Pact, 15 national governments (including Germany, **France**, Italy, and Spain) have signed up to reduce virgin plastic products and packaging by at least 20% (by weight) by 2025, with half of that reduction coming from an absolute reduction of plastics.

In addition, an increasing number of governments are setting or revising minimum thresholds or targets to achieve a certain percentage of recycled content in plastic packaging. In 2019, only one government reported having such a measure in place while three (18%) had it in place in 2020.

By 2025, 33% (6) are planning to have such a target in place to stimulate the demand for recycled plastics. For example:

- The government of **Chile** has set an obligation to incorporate 25% of recycled content in single-use plastic bottles in 2025. In 2019, an estimated 8.5% of recycled plastic was used in the national production of plastic packaging.
- The **United Kingdom** is due to introduce a new tax on plastic packaging that contains less than 30% recycled content, applying to businesses producing or importing plastic packaging, from April 2022. In addition, the UK Plastic Pact, supported by the government, aims to reach 30% of recycled content in all plastic packaging for its members by 2025.
- In **the Netherlands**, the Plastics Pact NL set a target of at least 35% recycled content in new products and packaging by 2025.
- In **Peru**, the government has signed the Clean Production Agreement with a number of businesses voluntarily committing to ensure that 100% of food contact plastic packaging incorporates a minimum of 50% recycled content.

Aligned with these targets, governments are starting to report progress against them, sometimes quantitatively. For example, in **France**, the signatories of the national Plastic Pact reported an average percentage of 15% of recycled content in plastic packaging in 2020 compared to 11% in 2019. **The Netherlands** and **Portugal**, also reported working on the implementation of the European Union directive on the reduction of the impact of certain plastic products on the environment, which sets a minimum of 25% of recycled content in PET bottles by 2025.

6 TRANSPARENCY

WHY TRANSPARENCY?

Promoting transparency on signatories' commitments, as well as the actions they take and their progress towards achieving them, sits at the heart of the Global Commitment. This is achieved not just through the public disclosure of targets — both qualitative and quantitative — and progress towards them, but also through providing common definitions and clear and consistent presentations of data.

KEY INSIGHTS

The vast majority of business signatories are now voluntarily disclosing their total plastic packaging weight and portfolio breakdown – representing a step forward in transparency for this group since the launch of the Global Commitment

Government signatories have also taken steps towards increasing transparency on use and after use of plastics in their jurisdictions

The vast majority of business signatories are now voluntarily disclosing their total plastic packaging weight and portfolio breakdown — representing a step forward in transparency for this group since the launch of the Global Commitment

2021 saw a further increase in the number of signatories publicly disclosing the total weight of plastic packaging used or processed annually, with 26 doing so for the first time.[27] The proportion of brand and retail signatories publicly disclosing their total weight increased from just 49% in 2020 to 74% in 2021 (see figure 18).[28] Those publicly disclosing weight in 2021 represent over 90% of the total weight of plastic packaging reported by all brands and retailers in the Global Commitment.

Levels of transparency varied between sectors, with the apparel sector well behind others, with just 33% of signatories publicly disclosing total weight, and packaging producers and retailers also behind other sectors with only 39% and 63% disclosing respectively (see figure 18). On the other hand, 100% of signatories within the beverage and cosmetics sectors opted to publish their total weights. In some cases, reluctance to publish appeared to be driven by ongoing uncertainties around data quality, while in others it was a result of not being comfortable having the information in the public domain.

This year, 76% of brands and retailers also provided details of which categories of plastic packaging they have in their portfolio and a breakdown by weight, up from 65% in 2020 (see figure 19). The public data provided by these signatories offers valuable information on the types of packaging being used today, helping to shed light on the nature of the challenge of — and potential solutions for — moving towards a circular economy for plastics.

Business signatories have also continued to work to improve quality and internal visibility on their own data (for example, on how much and what types of plastic packaging they are using, and for what applications) to support planning, measurement, and decision-making. However, there remains scope for improvement on external verification — just 34% of signatories indicated having third-party verification in place for some or all data in 2021, the same proportion as last year, with just 15% indicating plans to introduce or expand this going forward.

Government signatories have also taken steps towards increasing transparency on use and after use of plastics in their jurisdictions

25% of government signatories have already set quantitative targets linked to their overarching commitments against which they have committed to report in future years, with the rest of the group due to do so by the next reporting process. Governments most commonly set and track against targets on collection, sorting, reuse, and recycling rates of plastics —in 2020, 39% of reporting government signatories tracked quantitative information and 33% had already set 2025 targets on collection, sorting or composting rates for plastic packaging or products. However, they remain a minority and governmental data on the fate of plastics after use are still lacking. In addition, only a few governments tracked quantitative progress and information on elimination of problematic or unnecessary plastic packaging (28%) and on the use of recycled content in plastic packaging and products (11%).

FIGURE 18

Most brands, retailers, and packaging producers are now publicly disclosing their plastic packaging weight...

% of brand, retailer, and plastic packaging producer signatories disclosing their plastic packaging weight

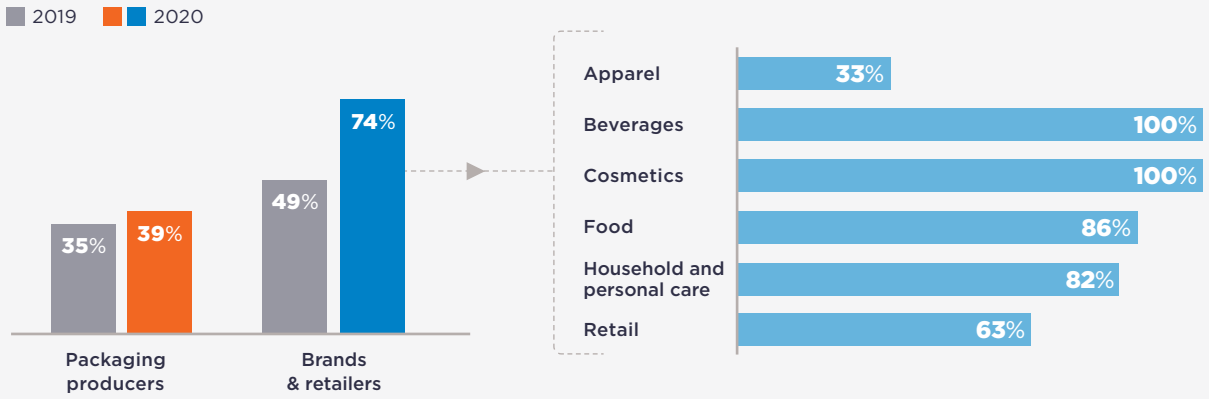
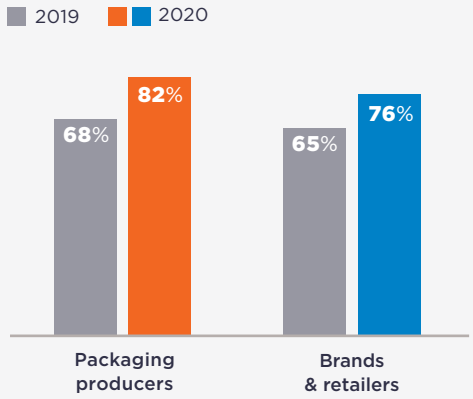


FIGURE 19

... as well as their plastic packaging portfolio breakdown

% of brand, retail, and packaging producer signatories disclosing their plastic packaging portfolio breakdown



ENDNOTES

1 Source: Geyer, R., Jambeck, J. R., & Law, K. L. (2017). Production, use, and fate of all plastics ever made. Science Advances

2 Producing 1 tonne of recycled plastic saves five barrels of petroleum. Source: Suez, https://www.suez.com/en/news/press-releases/suez-gives-plastic-a-new-life-by-encouraging-people-to-collect-with-reco-solutions

3 Extrapolation based on historical total market growth (sources: Geyer et al., 2017'; Wood MacKenzie, 2021)

4 Based on the findings of the recent Breaking the Plastics Wave study by The PEW Charitable Trusts and SYSTEMIQ, with the Ellen MacArthur Foundation as Thought Partner.

5 Business signatories with annual plastic (packaging) volumes in excess of 10,000 metric tonnes or revenues in excess of USD 500 million were eligible to report through the Ellen MacArthur Foundation in the 2021 reporting cycle. These businesses represent more than 99% of plastic packaging weight covered by the full Global Commitment signatory group. Signatories below both thresholds were asked to report progress publicly through their own channels.

6 Progress reports from business signatories CarbonLITE Recycling and Huidu environmental protection technology (Shanghai) co., LTD, and from government signatories the Walloon Government and Republic of Seychelles Ministry of Environment, Energy and Climate Change were not received at the time of completion of the 2020 reporting cycle.

7 The percentage increase reported here refers to that seen for signatories reporting in both of the last two years (i.e. new examples from signatories reporting for the first time in 2021 are not counted as part of the increase).

8 According to the definition of recyclability used in the Global Commitment – more information is provided on this in Chapter 3.

9 The increase reported here refers to that seen for signatories reporting in both the last two years (i.e. new examples from signatories reporting for the first time in 2021 are not counted as part of the increase).

10 A signatory is considered to be 'targeting' a given packaging category if they reported an example of elimination or reduction achieved in the reporting period and/or if they indicated plans to reduce or eliminate the category in future.

11 The increase reported here refers to that seen for signatories reporting in both of the last two years (i.e. new examples from signatories reporting for the first time in 2021 are not counted as part of the increase).

12 Individual percentages for reusable, recyclable, compostable, and 'not reusable, recyclable, or compostable' will not sum to 100% for all individual signatories or the group as a whole as a large proportion of reusable packaging is also recyclable.

13 The threshold to prove recycling works 'in practice and at scale' and thereby meet the Global Commitment definition of 'recyclable' is a 30% recycling rate achieved across multiple regions, collectively representing at least 400 million inhabitants. The full results of the 2021 New Plastics Economy Recycling Rate Survey can be accessed here.

14 The increase reported here refers to that seen for signatories reporting in both of the last two years (i.e. new examples from signatories reporting for the first time in 2021 are not counted as part of the increase). The growth in total recycling output from Global Commitment Recycler signatories between 2002 and 2019 was 20%, of which 12% was due to growth for signatories reporting in 2020 and 2021 and 8% due to the onboarding of new signatories the past year.

15 Signatories sharing data on the share of their recycling output by polymer with the Ellen MacArthur Foundation accounted for 77% of total output from Recycler signatories.

16 The Ellen MacArthur Foundation's Plastics Pact Network is a globally aligned response to plastic waste and pollution, which enables vital knowledge sharing and coordinated action. It is a network of national and regional (multi-country) initiatives which brings together key stakeholders to implement solutions towards a circular economy for plastic, tailored to each geography. Read more about it here.

17 Source: Geyer, R., Jambeck, J. R., & Law, K. L. (2017). Production, use, and fate of all plastics ever made. Science Advances.

18 Some signatories have set dual targets – both a virgin reduction target and a total reduction target, while eight signatories remain in the process of setting these targets but have committed to do so by a specific date - in almost all cases these signatories have been given more time to set a target as a result of having joined the Global Commitment more recently.

19 Producing 1 tonne of recycled plastic saves five barrels of petroleum. Source: Suez, https://www.suez.com/en/news/press-releases/suez-gives-plastic-a-new-life-by-encouraging-people-to-collect-with-reco-solutions

20 The increase reported here refers to that seen for signatories reporting in all three years since 2018.

21 The increase reported here is based on 2019 and 2020 percentages of recycled content for brands and retailers, the growth due to new signatories reporting for the first time in 2021 was negligible.

22 The increase reported here is based on 2018 and 2019 percentages of recycled content for brands and retailers, the growth due to new signatories reporting for the first time in 2020 was negligible.

23 Signatories sharing data on the share of their recycling output by polymer with the Ellen MacArthur Foundation accounted for 77% of total output from Recycler signatories.

24 Based on the findings of the Breaking the Plastics Wave study, published in 2020 by The PEW Charitable Trusts and SYSTEMIQ, with the Ellen MacArthur Foundation as Thought Partner.

25 This calculation refers to growth for signatories reporting in both of the last two years but excludes data from Nestlé, which reported a substantial year-on-year reduction which was significantly driven by divestments from their business which reduced packaging volumes. Updated numbers will be provided by this signatory in the 2022 reporting cycle to enable their data to be re-incorporated into these calculations.

26 Source of market growth rate for plastic packaging: Wood MacKenzie.

27 This includes 10 new signatories reporting progress for the first time and 16 existing signatories that disclosed publicly having not done so previously.

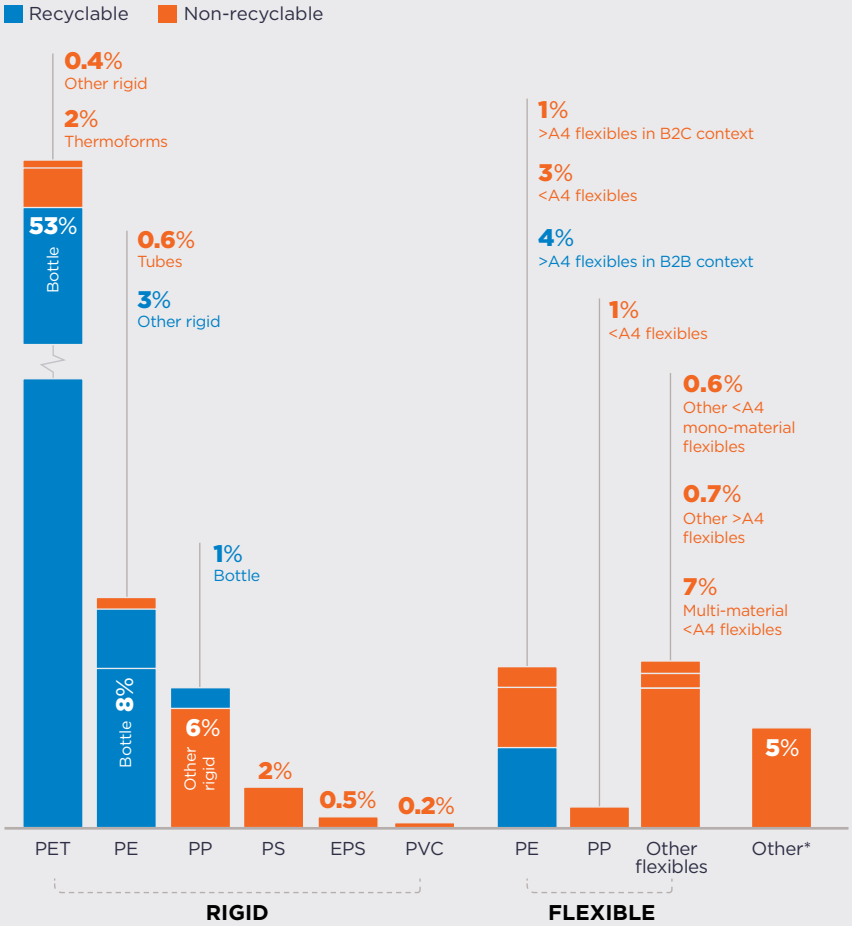
28 The increase reported here refers to that seen for signatories reporting in both of the last two years (i.e. new examples from signatories reporting for the first time in 2021 are not counted as part of the increase). Including signatories reporting for the first time in 2021, the total proportion publicly disclosing weight in 2021 was 74%.

APPENDIX

FIGURE 20

Breakdown of plastic packaging reported by Global Commitment signatories

Percentage of total plastic packaging (weight) reported by brand and retail signatories



Notes: Recyclability is assessed according to the Global Commitment definition – which requires that recycling is proven to work 'in practice and at scale' – and using the suggested thresholds and outputs of the 2021 New Plastics Economy Recycling Rate Survey. For more information see chapter 3 ("Reusable, recyclable, or compostable").

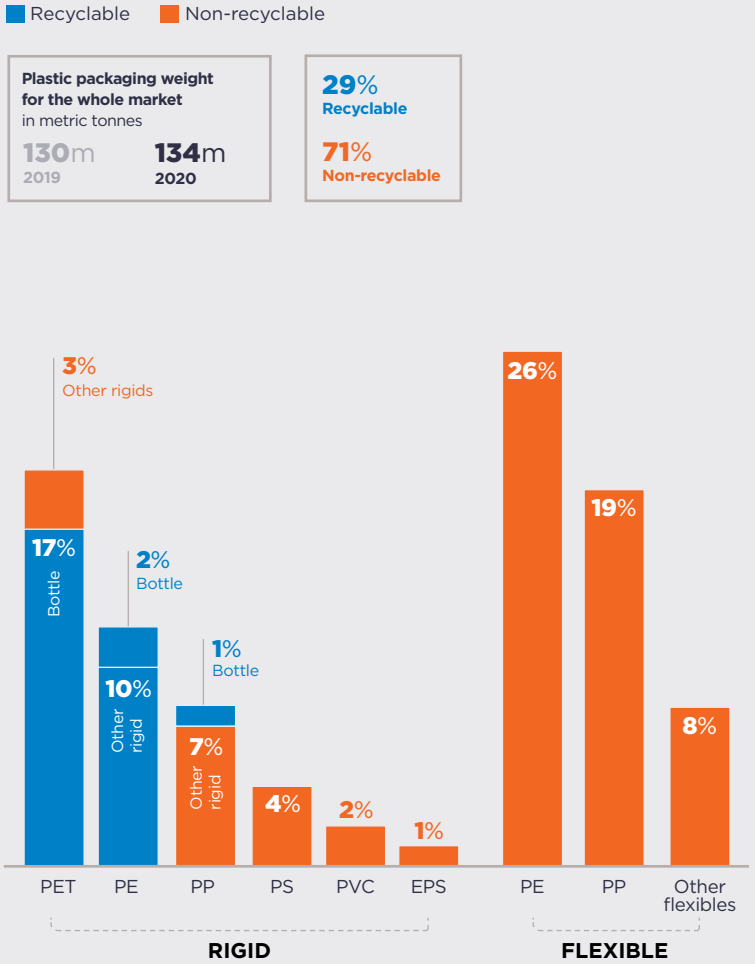
Percentages exclude five signatories which did not report their portfolio breakdown to the Ellen MacArthur Foundation. The aggregate percentage recyclable in this figure differs from Figure 12 (64.5% recyclable) because (1) it includes the % of packaging for which a system for recycling exists but the actual packaging design makes the packaging unfit for the system, as this analysis only looks at packaging type, not at detailed packaging design (2) It excludes 2% which is not recyclable according to the Ellen MacArthur Foundation's assessment, but which was reported as recyclable by companies who chose to deviate from the Foundation's assessment methodology for some categories of packaging.

*Packaging categorised as 'other' represents packaging not classified by signatories under any predefined categories but could include rigid or flexible packaging. This packaging was not assessed as recyclable in practice and at scale.

FIGURE 21

Breakdown of global plastic packaging market

Percentage of total global plastic packaging market (by weight)



Notes: Source of plastic packaging weight data: Wood MacKenzie.

Recyclability is assessed according to the Global Commitment definition – which requires that recycling is proven to work 'in practice and at scale' – and using the suggested thresholds and outputs of the 2021 New Plastics Economy Recycling Rate Survey. For more information see chapter 3 ("Reusable, recyclable, or compostable").

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