Plastics Circular Investment Initiative (PCII)

Project Location:	Indonesia
Project Period:	July 2024 ~ August 2026
Project Funding:	USD 320,000
Theme:	Green Investment, Circular Economy & Sustainable Waste Management, Green Industries
Project Code:	ID60

Implementing Partners

Ministry of National Development Planning/Bappenas Republic of Indonesia

Resource Partners: KGNDTF

Ministry of Finance and Economy

Project Summary

The Plastics Circular Investment Initiative (PCII), funded by the Korean Green New Deal Trust Fund (KGNDTF) of the Ministry of Finance and Economy (MOFE) of the Republic of Korea, supports Indonesia's shift to a circular, sustainable plastics economy. Led by the Global Green Growth Institute (GGGI), the project focuses on two streams, namely recycled plastics and bioplastics, as the two key alternatives to fossil-based plastics considered by the Government of Indonesia.

PCII seeks to channel investment into one sustainable plastic initiative by following a structured approach:

- **A Landscape Analysis** to ultimately identify gaps and investment opportunities in recycled plastics and bioplastics value chains
- **A Business Matchmaking Program** to facilitate partnerships through a Call for Proposals and select one mature investment proposal (recycled plastics or bioplastics)
- **A Technical Assistance package** to enhance bankability to mobilize investment into one investment project

Project Goal and Objectives

PCII's overarching goal is to catalyze investment into a circular plastics project that contributes to pollution reduction, climate mitigation, and green industrial development.

The initiative pursues four interlinked objectives:

- **Strengthen the enabling environment** for investment in recycled plastics and bioplastics
- **Identify high-potential investment opportunities** across priority plastic value chains
- **Facilitate strategic partnerships** between Indonesian and international companies, technology providers, and financiers
- **Support investment readiness** through targeted technical assistance for selected proposals

GGGI (right) and ADUPI (left) signed an MoU to strengthen collaboration in the plastics sector. © GGGI Indonesia

GGGI, through the PCII program, attended the Annual Indonesia Green Industry Summit (AIGIS). © GGGI Indonesia

Group photo of participants at the Business Matchmaking Program under the PCII. © GGGI Indonesia

Context and Background

Indonesia is among the world's largest producers of plastic waste, yet only a small share is effectively recycled. According to data from the Ministry of Environment, plastic waste accounted for up to 20% of Indonesia's total waste (around 6.8 million tonnes) in 2024, yet only a limited share is effectively managed or recycled. Plastic leakage into terrestrial and marine ecosystems poses growing environmental, social, economic and health risks.

At the same time, global demand for recycled and alternative plastics is rising sharply, driven by new regulations, corporate commitments, and international negotiations on plastic pollution.

Major markets are introducing requirements for recycled and alternative plastic content. Multinational companies are actively seeking reliable, high-quality suppliers of sustainable plastic materials. These global shifts are creating new opportunities for Indonesia to strengthen domestic value chains, attract investment, and move up the circular economy value ladder.

PCII is designed to help Indonesia capture this opportunity by bridging local supply-side constraints with global demand and finance, while ensuring alignment with national development priorities.

Project Outcome

- Investment mobilization for at least one investment project in Indonesia
- A pipeline of investment-ready projects in recycled plastics and bioplastics
- Strengthened international partnerships, supporting technology transfer and sustainable supply chains
- Policy recommendations to inform government efforts on circular economy and green industry development
- Environmental and social benefits, including reduced plastic leakage, lower emissions, and improved livelihoods across plastic value chains

A plastic waste recycling facility in Tangerang, Banten.
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How PCII Works

Landscape Analysis

A comprehensive assessment of the regulatory landscape, market demand, supply capacity, infrastructure gaps, and technology needs across recycled plastics and bioplastics value chains. The analysis also considers environmental and social co-benefits, including opportunities for more inclusive waste management systems.

Business Matchmaking Program

Structured networking and matchmaking activities bring together Indonesian businesses with international partners, technology providers, and potential financiers. Capacity-building support helps local companies meet international sustainability, quality, and traceability standards.

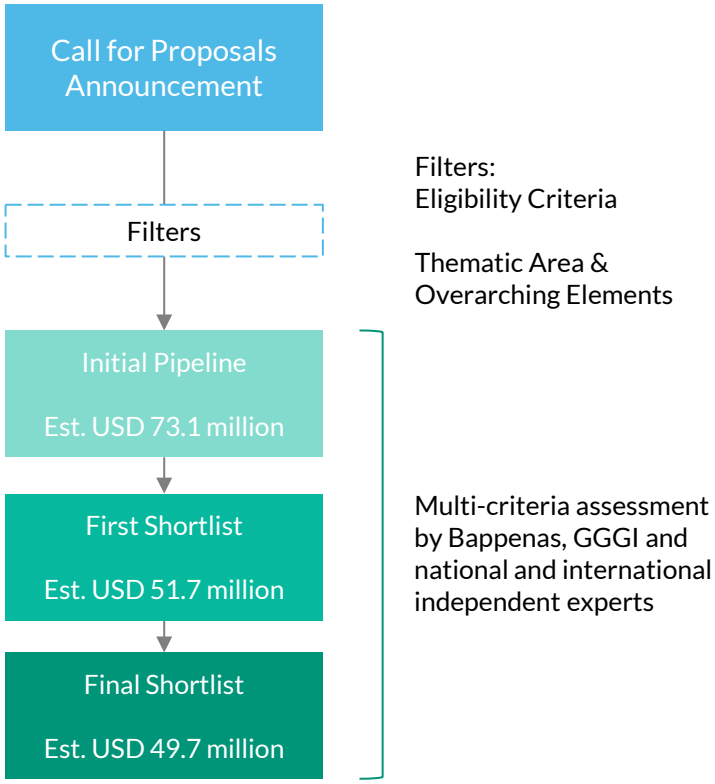
Investment Project Pipeline Development and Selection

A competitive call for proposals identifies high-potential, investment-ready projects aligned with PCII priorities. Proposals are assessed against technical, financial, and sustainability criteria.

Investment Readiness Support

Selected proposals receive targeted technical assistance, such as feasibility studies and investment structuring support, to enable informed investment decisions and engagement with public and private finance.

Snapshot of PCII's Call for Proposals (2025)



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