

## PRAISE SUPPORTS WASTE MANAGEMENT WITH CIRCULAR ECONOMY

**Jakarta, September 12, 2019** – Waste management has been a challenge in Indonesia, along with the increasing household consumption and activities in the business sector. This year, Indonesia generates 67 million tons of waste, which is higher than the average 64 million tons per year, with composition that consists organic waste (70%), plastic waste from food and beverages, and consumer goods packaging, shopping bags and other packaging (20%), and other industrial waste such as glass, metal and rubber (10%). Due to the impact of waste to the environment and social, the government is targeting to reduce waste by 30% and secure 70% waste management by 2025. However, the TPS3R waste management policy issued by the government is still facing challenges, as the policy has yet to involve all related parties in conducting the waste sorting process from its sources.

**“To support the government’s waste management target, private sector through the Packaging and Recycling Association for Indonesia Sustainable Environment (PRAISE) is urging the government to implement an effective waste management system that involves Extended Stakeholder Responsibility (ESR) by using the circular economy system that increases the involvement of communities in sorting waste, and utilizes packaging waste that can be reused by the industry,”** a representative of PRAISE, Sinta Kaniawati reveals.

The method of circular economy will allow packaging waste to have use and economic values. Based on the report from Ellen MacArthur, without the circular economy understanding, 95% of the economic value of packaging, including single-use plastic will be gone. In contrast, with the foundation of circular economy, in Europe, 53% of the waste can be recycled and generate money. However, circular economy can be conducted properly with the **Extended Stakeholder Responsibility** approach that urges a collaboration with all related parties, including household, communities, the government and private sector.

### **Circular Economy Through ‘Desa Kedas’ Program**

In Indonesia, recycling is a form of responsible circular economy. However, recycling business will face challenges without proper sorting process. PRAISE, a partnership of six companies in Indonesia including Coca-Cola, Danone, Indofood, Nestle, Tetra Pak and Unilever, has initiated the *Bali Bersih* (Clean Bali) program, with the objective to develop a sustainable community program in an attempt to support the environment and the city to overcome packaging waste issue that they face through circular economy. In conducting the program, PRAISE is collaborating with McKinsey.org to initiate the Desa Kedas program in Bali, as the pilot project for *Bali Bersih*. In line with PRAISE’s vision and mission, the Desa Kedas project’s objective is to demonstrate the recycling system that has economic values from the materials that are considered waste, to become a sustainable system that can bring economic opportunities for communities.

“Solution to the waste issues in Indonesia can be started from the improvements in waste transport system and the recycling market development. Recycling materials that have been collected can be reused for productive objectives – plastic, organic waste and other materials with value. For that reason, we established Desa Kedas, a collaboration between PRAISE Bali Bersih program and McKinsey.org global program. We believe that public empowerment, innovating government and the commitment from all companies, can together develop a waste management and recycling system that can run optimally.



Furthermore, this can become a transformative step for many people that are working under the shadows of recycling market economy.” says Shannon Bouton, McKinsey.org’s Global Executive Director.

Regarding the hopes for Desa Kedas program, Shannon adds “we hope we can design the right solution for the people of Indonesia, so we can solve environmental issues caused by waste, and at the same time create jobs, improve the quality of life and develop a cleaner and more prosperous future for the people of Indonesia.”

I Gusti Made Gede, chairperson of Sanur Kauh Village Consultative Body (BPD), reveals “Before participating in the Desa Kedas program, the existing TPS3R system had yet to run properly. Our TPS3R operation was hindered and economically, we were unstable. After running the program for six months, more people are sorting their waste from home. The TPS3R in Sanur Kauh has been consistently generating profit, not only economically, but it also offers proper working system with trained workers. I am very impressed with the attention on the program for the officials and the waste transporters, as they now have uniforms, working equipment, soft skill training and sufficient salaries. I hope that the program can continue to grow, and more people and communities will implement the program.”

Through the Bali Bersih program, PRAISE has proved that waste management will be successful with circular economy system, if:

- There is an involvement from the Extended Stakeholder Responsibility
- There is a behavior change regarding 3R (Reduce, Reuse, Recycle) that can be reached through continuous education.
- There is an involvement from the government, both from policies and the means and facilities.

“The Bali Bersih program can become an intervention pilot project to improve from TPS3R and landfills in Indonesia in better waste management. We hope that the program can bring a new view for the people in post-consumption packaging that it can contain economic value if managed properly. For that reason, a thorough collaboration from all related parties is required to support the Jakstranas target, which has been issued by the government.” Sinta adds.

-END -

### **About PRAISE**

PRAISE (Packaging and Recycling Association for Indonesia Sustainable Environment / Asosiasi Untuk Kemasan & Daur Ulang Bagi Indonesia yang Berkelanjutan) didirikan pertama kali pada tahun 2010. PRAISE diluncurkan untuk mengokohkan komitmen dalam mendorong terciptanya pengelolaan sampah kemasan di Indonesia yang holistik, terintegrasi dan berkesinambungan. PRAISE memiliki tiga bidang fokus utama yaitu Advokasi, Penelitian & Pendidikan, dan Kemitraan & Kolaborasi. PRAISE didirikan oleh Coca-Cola Indonesia, Danone Indonesia, PT Indofood Sukses Makmur Tbk, PT Nestle Indonesia, Tetra Pak Indonesia, dan PT Unilever Indonesia.

Informasi lebih lanjut mengenai PRAISE dapat di akses di [www.praiseindonesia.com](http://www.praiseindonesia.com)

### **For further information, please contact:**

Gabrielle Johny ([gabrielle.johny@tetrapak.com](mailto:gabrielle.johny@tetrapak.com))