



Circulate Capital, U.S. Agency for International Development (USAID), and Ocean Conservancy Announce Blended Finance Partnership to Combat Ocean Plastic Pollution

USAID will guarantee up to \$35 million of loans made by Circulate Capital to incentivize private capital investment and advance development objectives in the recycling value chain in South and Southeast Asia

Washington, D.C., June 5, 2019 – [Circulate Capital](#), the investment management firm dedicated to incubating and financing companies and infrastructure that prevent ocean plastic in South and Southeast Asia (SSEA), today announced a blended finance partnership with the U.S. Agency for International Development (USAID) to combat ocean plastic pollution. Through this new agreement, USAID will provide up to a \$35 million, 50% loan-portfolio guarantee through the Development Credit Authority (DCA) to incentivize private capital investment and new business development in the recycling value chain in South and Southeast Asia.

The public sector support from the USAID partnership enhances the private sector support that Circulate Capital has received to combat ocean plastic, which is more than \$100 million committed by the world's leading corporations, including PepsiCo (NASDAQ: PEP), the first investor; Procter & Gamble (NYSE: PG); Dow (NYSE: DOW); Danone (EPA: BN); Unilever (NYSE: UN; NYSE: UL) and The Coca-Cola Company (NYSE:KO). At least 50% of the total investments covered by the USAID guarantee will be used for loans in Indonesia, The Philippines, Vietnam and Sri Lanka where USAID's Municipal Waste Recycling Program supports local partners in reducing ocean plastic pollution.

The partnership was formally announced earlier today at a special launch [event](#) hosted by The Wilson Center in Washington D.C.; and supported by USAID, Circulate Capital, and Ocean Conservancy, a leading nonprofit environmental advocacy organization working to protect the world's ocean. Remarks were made by The Honorable Sheldon Whitehouse, U.S. Senator (D-RI), and Chris Milligan, Counselor, USAID. A panel discussion on the use of innovative solutions and blended finance to tackle the ocean plastic crisis was moderated by Ambassador David Balton, Senior Fellow, Wilson Center; Former Deputy Assistant Secretary for Oceans and Fisheries, U.S. Department of State. Panelists included: Rob Kaplan, Founder and CEO, Circulate Capital; Haley Lowry, Global Sustainability and End Use Marketing Director, Dow; Steve Sikra, Associate Director, Research & Development, Global Product Stewardship, Procter & Gamble; Carrie Thompson, Acting Assistant Administrator, Bureau for Economic Growth, Education and Environment, USAID; and Emily Woglom, Executive Vice President, Ocean Conservancy.

“By blending private and public sector capital, our partnership with USAID will accelerate and expand the magnitude of the impact we can achieve beyond anything we could do separately,” said Rob Kaplan, Founder and CEO of Circulate Capital. “By financing companies, innovations, and projects that prevent ocean plastic in South and Southeast Asia, we will stop ocean plastic at its source and remove capital as a barrier to critical waste and recycling infrastructure development.”

“We need to implement a range of solutions to address the ocean plastic crisis—including reducing our reliance on single-use plastics and moving toward a more circular economy. However, the science shows that one of the first things we should do is make sure that plastic waste is actually collected and disposed of

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properly—in other words, we need to invest in effective waste management systems,” said Emily Woglom, Ocean Conservancy’s Executive Vice President. “Circulate Capital is on the cutting edge of making this investment possible, and we are thrilled USAID is stepping up to support it. It is these kinds of collaborative partnerships that leverage strengths across government, business, and NGOs that will ultimately make a real difference for the ocean.”

Circulate Capital’s strategy to prevent future ocean plastic reflects a uniquely comprehensive approach that goes beyond providing investment capital to entrepreneurs. Through the [Incubator Network](#) by Circulate Capital and SecondMuse, announced on September 20, 2018 at the G7 Oceans Partnership Summit in Halifax, Canada, Circulate Capital is also using philanthropic and public funds and technical assistance to support and develop public and nonprofit entities to implement new approaches and build capacity that can support large institutional capital commitments.

About [Circulate Capital](#)

Circulate Capital is an investment management firm dedicated to incubating and financing companies and infrastructure that prevent ocean plastic. We focus on the prevention of mismanaged plastic waste in countries located in South Asia and Southeast Asia, regions that contribute disproportionately to ocean plastic pollution primarily because they often lack the critical waste infrastructure to manage the problem. We were created in collaboration with Closed Loop Partners and Ocean Conservancy, and our founding investors are expected to include PepsiCo, the first investor; Procter & Gamble, Dow, Danone, Unilever and The Coca-Cola Company. We are also supported by many other leading consumer product goods and chemical companies, intergovernmental organizations and associations including 3M, American Chemistry Council, Kimberly-Clark, Partnerships in Environmental Management for the Seas of East Asia (PEMSEA) and the World Plastics Council.

About [Ocean Conservancy](#)

Ocean Conservancy is working to protect the ocean from today’s greatest global challenges. Together with our partners, we create science-based solutions for a healthy ocean and the wildlife and communities that depend on it. www.oceanconservancy.org

About [USAID](#)

President John. F. Kennedy created the United States Agency for International Development (USAID) by executive order in 1961 to lead the US government’s international development and humanitarian efforts. Today, USAID leads international development and humanitarian efforts to save lives, reduce poverty, strengthen democratic governance and help people progress beyond assistance.

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