

Global Industry Leaders Join Forces to Launch Groundbreaking Automotive Plastics Circularity Pilot

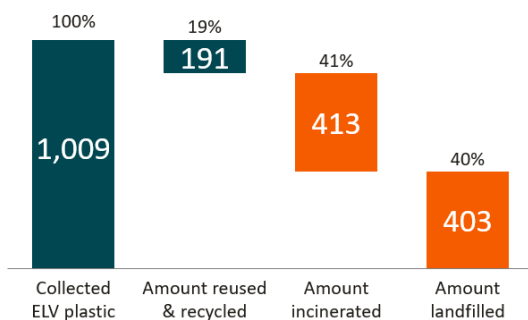
A Global Impact Coalition initiative set to revolutionize automotive plastics recycling

Geneva, 18 February 2025 (Updated 10 March 2025, to include the news of LG Chem joining the pilot project.)

The [Global Impact Coalition \(GIC\)](#), a CEO-led collaborative platform originally incubated at the World Economic Forum, launches the world's first Automotive Plastics Circularity pilot together with eight global leaders in the chemical and recycling industries—**BASF, Covestro, LG Chem, LyondellBasell, Mitsubishi Chemical Group, SABIC, SUEZ, and Syensqo**. This groundbreaking pilot will address the critical challenge of recycling plastics from End-of-Life Vehicles (ELVs).

1MT ELV plastic recovered in Europe but >80% sent to landfill or incineration (2020)

In kt



Each year, over 800 million metric tons of ELV plastics in the EU alone are incinerated or landfilled, resulting in significant environmental and economic losses. This pilot is a key first step to transform this waste into valuable resources, enabling the automotive industry to significantly increase the rate of closed-loop recycled plastics.

“This collaboration represents a turning point for the industry,” said **Charlie Tan, CEO of the Global Impact Coalition**. “Recycling ELV plastics has long been a challenge, with less than 20% of these materials recycled today. By uniting players from across the automotive value chain—from auto makers to dismantlers, sorters, recyclers and the chemical industry—we are connecting the links to close the loop on plastics.”

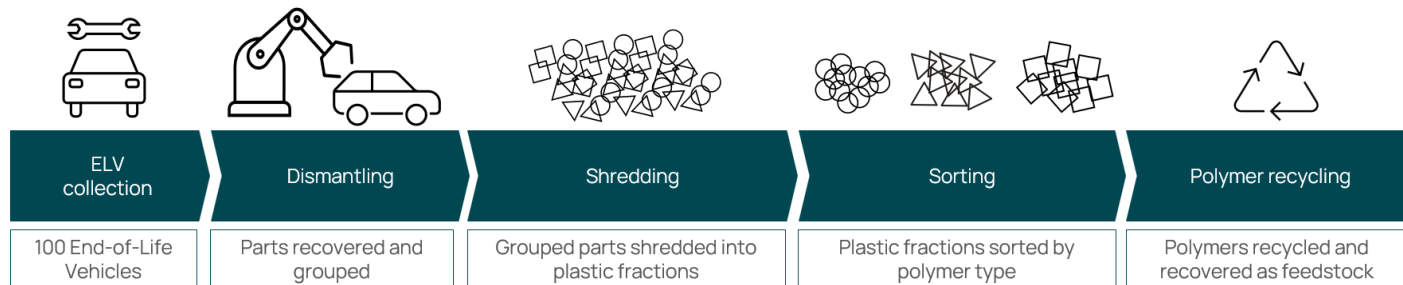
A Bold Step Toward Circularity

The pilot, taking place in the Netherlands and Germany, will dismantle, shred and sort plastic fractions, clustered into 10 types of polymers and automotive parts from 100 end-of-life vehicles. These sorted plastic fractions will then be recycled by the collaborating companies with each of their specific technologies. Focusing on bulk aggregation of ELV plastics, the pilot will serve to test and optimize a new approach to dismantling, sorting and recycling plastic fractions under real-world conditions.

To ensure success, the project partners have engaged dismantlers, shredding companies, and sorting facilities to create a robust and interconnected network. By pooling demand for a wide variety of ELV polymers, the initiative seeks to demonstrate the economic feasibility of large-scale closed-loop recycling systems. Project members collectively represent a significant portion of the global plastics industry, making this pilot extremely relevant for Europe and other key regions of the world.

“Automotive sustainability hinges on addressing materials that have long been overlooked,” said **Yves Rannou, Co-CEO of SUEZ & Chief Operating Officer of Recycling & Recovery**, “Recycling ELV plastics isn’t just a technical challenge—it’s a chance to redefine how we view waste as a resource and ensure we can make it economically sustainable for each party involved. This pilot is the beginning of a transformative journey for the entire automotive and plastics value chain.”

End-of-Life Vehicle Plastic Recycling Value Chain



Meeting Growing Regional Sustainability Mandates

The Automotive Plastics Circularity project aligns with evolving regulatory frameworks, including the EU's proposed ELV regulations, which currently mandate that by 2030, 25% of plastics in new cars must come from recycled materials, with 25% of those derived from closed-loop recycling (from end-of-life vehicles). This pilot aims to validate the scalability of solutions capable of achieving these targets, ensuring significant impact and reducing the current reliance on landfilling and incineration.

By optimizing processes and achieving purer polymer fractions, the pilot will provide actionable insights into meeting regulatory requirements. Additionally, it will showcase the potential for a scalable, sustainable business model that can be applied globally.

“The goal of this pilot is to move beyond theoretical discussions and test real-world solutions for ELV plastics recycling. By focusing on advanced sorting and recycling technologies, we aim to prove that high-quality, closed-loop systems are not only possible but scalable for global impact,” commented **Dr. Lars Kissau, President, Net Zero Accelerator, BASF.**



The pilot is expected to yield valuable data to guide broader industry adoption. Following its conclusion, the project will focus on scaling up efforts regionally in Europe and expanding to other key markets for ELV plastics recycling and production.

The Global Impact Coalition invites stakeholders across the automotive and recycling value chains to join this transformative effort. For more information, please contact GIC.

About Global Impact Coalition:

The Global Impact Coalition (GIC) is a CEO-led platform driving the chemical value chain toward a circular, net-zero future. Incubated at the World Economic Forum, GIC turns sustainability challenges into commercial solutions through cross-industry collaboration. By co-developing and scaling new technologies and business models, GIC members tackle circularity & emissions reduction challenges that no single company can solve alone. For more information, visit GlobalImpactCoalition.com or LinkedIn [@GlobalImpactCoalition](https://www.linkedin.com/company/globalimpactcoalition).

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