WASTE MANAGEMENT SUMMIT 2015

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AGENDA

- Packaging in perspective in the waste stream.
- Our performance.
- How are we doing in the hierarchy ?
- Our Industry Waste Management Plan.
- Some Industry concerns !
- Way forward.

PUTTING PACKAGING WASTE INTO PERSPECTIVE

PACKAGING IN PERSPECTIVE

- ✓Biggest issue is Greenhouse emissions !
- ✓How much do we create ?
- ✓Statistics vary but estimates range between 35 & 40 billion tonnes annually.
- ✓How much is a billion?
- ✓About 2m tonnes in next 30 minutes !
- ✓Heading for a climate catastrophe which will threaten mankind !

PACKAGING IN PERSPECTIVE

- ✓2011 the CSIR baseline report suggested that we create around 108million tonnes of solid waste annually – this excludes mining waste.
- ✓Around 98m tonnes of this is landfilled.
- ✓Municipalities collect between 20 & 25m tonnes.

PACKAGING IN PERSPECTIVE

- ✓Approximately 51% of all packaging is recycled with <2m tonnes ending up as unrecovered waste.
- ✓Compare this to food where an estimated 10m tonnes is wasted annually at a cost of R61billion !

- ✓Globally around 35% of all food ends up in landfills - bigger problem than packaging !

Source - CSIR

PACKAGING IN PERSPECTIVE

- ✓ In addition to Greenhouse emissions & organic waste there are also very significant challenges with….
  - ✓ Mining waste.
  - ✓ Ash from power stations.
  - ✓ Building rubble.
- ✓ Unfortunately packaging is highly visible !

PACKAGING IN PERSPECTIVE
SOUTH AFRICA

	2011
Solid waste generated	108
Solid waste landfilled	98
General waste	58
Municipal waste	20
Net paper & packaging	2

(Million tonnes)

SOUTH AFRICA'S PERFORMANCE BY SUBSTRATE

OUR PACKAGING PERFORMANCE - 2013

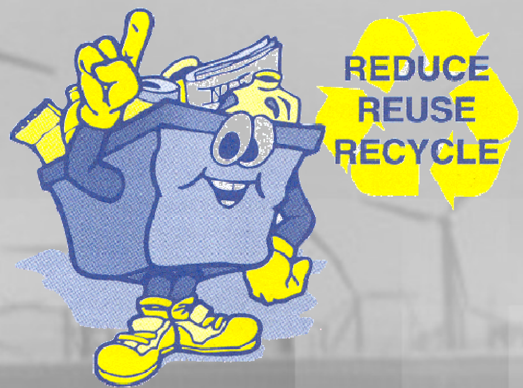
	CONSUMPTION	RECYCLED	%
PAPER PACKAGING & PRINT	1892	1169	61.8
METAL	233	153	65.8
GLASS	806	321	39.8
PLASTICS	731	225	30.8
TOTALS	3662	1868	51

‘1000 tonnes

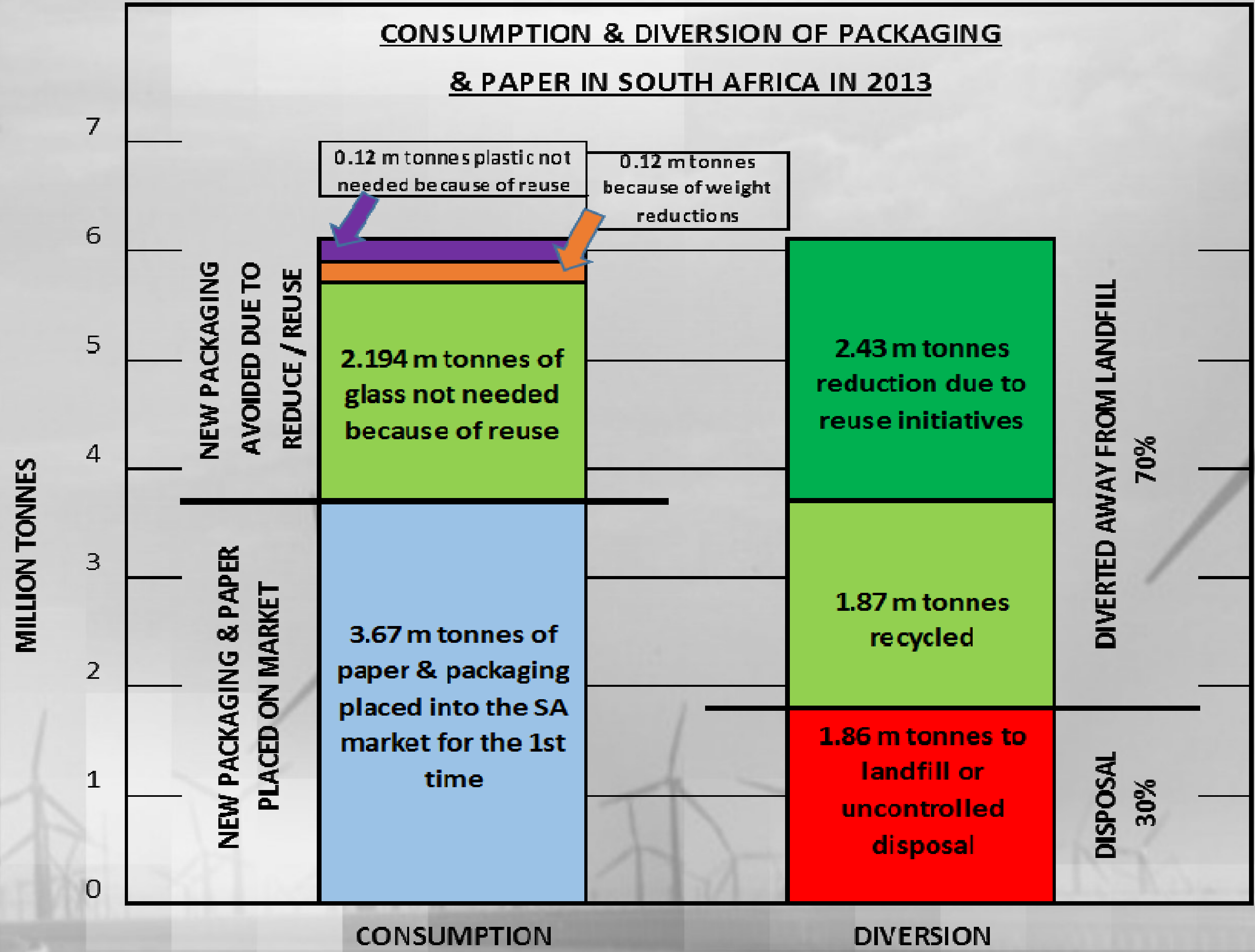
Source - BMI

THE HIERARCHY AS PER NEMWA

- ✓ **Avoid**
- ✓ **Reduce**
- ✓ **Re-use**
- ✓ **Recycle**
- ✓ **Recover**
- ✓ **Landfill**



THE HIERARCHY - OUR PERFORMANCE



THE HIERARCHY - OUR PERFORMANCE
REDUCE

- ✓ Todays 330ml beverage can, introduced in 1966, weighs 20% of what it did !
- ✓ Stretchwrap has reduced by >30% in last 10 years !
- ✓ Today's wine bottle weighs 32% less than 7 years ago !
- ✓ 2L PET bottle weighs almost 50% of it's original weight !
- ✓ Large plastic ball roll-ons – current version weighs 40% less.
- ✓ Technology has seen substantial down-weighting & down-gauging of bottles & films !

All of these at NO reduction in performance !!!

THE HIERARCHY - OUR PERFORMANCE
REDUCE

Down from > 90g to less than 50g

32% reduction in mass in 7 years

20% of mass since launched in 1966

THE HIERARCHY - OUR PERFORMANCE
REUSE

- ✓ Refillable bottles & reusable crates are extensively used in SA – around 75% of all malt beer is in refillable glass bottles.
- ✓ This saves >2.1 million tons of glass & 120 000 tonnes of plastic each year.
- ✓ Estimated investments by beverage sector in reusable containers ….
- ✓ Equipment/crates bottles R 4.5 billion
- ✓ Operating costs R 300m pa.

THE HIERARCHY - OUR PERFORMANCE RECYLE

- ✓ In 2013 we consumed around 3.8m tonnes of paper & packaging in SA.
- ✓ We recycled some 1.9m tonnes of this equating to 51% (up from 44% in 2009).
- ✓ In total investments in plant and equipment for developing recycling facilities & support of these, exceeds R3 billion at replacement cost. Much higher if paper machines included.
- ✓ About 80% of all recycled products produced & consumed in SA.

THE HIERARCHY - OUR PERFORMANCE RECOVER

- ✓ Makes sense to us to carefully consider for contaminated / unwanted packaging & paper waste in cogenerated waste streams.
- ✓ Plastic has calorific value up to 40% better than coal.
- ✓ Used extensively in Europe.
- ✓ Not supported by some environmentalists.
- ✓ Volumes & transport considerations are particularly important.
- ✓ WtE should be the last resort – preference is that waste should as much as possible be recycled.

OUR INDUSTRY PLAN FOR THE PACKAGING & PAPER SECTOR

INDUSTRY PLAN

- ✓ Original plan was developed & presented to the DEA in 2011.
- ✓ Document was updated & submitted as a "Draft Proposal for Discussion" in September 2014.
- ✓ International experts were consulted.
- ✓ Compiled with extensive input from…

Aerosol Manufacturers Association of SA Collect-a-Can The Glass Recycling Company Multilayer Packaging Forum Paper Manufacturers Association of SA Paper Recycling Association of SA PETCO	Plastics SA POLYCO Polystyrene Packaging Council Printing SA S A Plastics Recycling Organisation Southern African Vinyls Association

environmental affairs

Department:
Environmental Affairs
REPUBLIC OF SOUTH AFRICA

INDUSTRY PLAN

Cornerstone of the Plan…

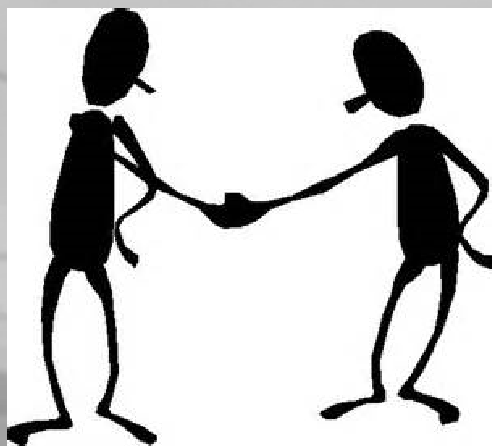
- ✓ **Industry managed system.**
- ✓ **Non-profit & as cost-effective as possible.**
- ✓ **Primary objectives:**
  - ✓ **Maximise diversion from landfill.**
  - ✓ **Provide industry with a steady stream of good quality recyclables.**
  - ✓ **Reduce resource consumption.**
  - ✓ **Job creation & better working conditions.**
  - ✓ **Clean up the environment.**
- ✓ **Mandatory household separation at source into recyclables & other.**

INDUSTRY PLAN

- ✓ Develop new collection systems.
- ✓ Support the Municipalities.
- ✓ Develop labour intensive models to handle & sort recyclable materials specifically through MRF's.
- ✓ Develop markets to absorb the various recyclables collected.
- ✓ Encourage entrepreneurship.
- ✓ NO free riders - obligatory membership of a Product Responsibility Organisation.
- ✓ Costs to implement will be collected from "obligated industries".

INDUSTRY PLAN

- ✓ The industry is of the opinion that it should be a priority to finalise & implement the Plan and once in operation consider what economic instruments would best address any shortcomings that might emerge.
- ✓ With the imminent introduction of the Waste Management Bureau & the Pricing Strategy it is however accepted that there has to be a greater collaborative effort.



INDUSTRY PLAN – CONCERNS

- ✓ **There are significant concerns that with increased Government intervention & regulation the following will inevitably occur….**

  - ✓ **Industry abdicating responsibility.**
  - ✓ **Regression of recycling rates.**
  - ✓ **Collapse of existing voluntary & successful initiatives particularly those of the various Material Organisations.**
  - ✓ **Packaging affects all LSM's - taxes add to inflationary costs.**
  - ✓ **Increased cost of recyclables reducing incentive to use.**

These are not attractive options !!!

INDUSTRY PLAN – CONCERNS

- ✓ **Industry will not pay twice ie. a voluntary fee as well as a mandatory tax !**
- ✓ **With some exceptions the SA packaging industry is not in good economic shape – careful not to further negatively affect the sector !**
- ✓ **Funding concerns – most of the current models largely operate from up front voluntary funding.**
- ✓ **Current budgets are collectively >R300 million p.a**
- ✓ **There will just be another..**

BUYISA e BAG

…& the money will never be seen again !

INDUSTRY PLAN
THE ROAD FORWARD ?

- ✓ Government must be part of the solution but cannot be THE solution.
- ✓ Take heed of international experiences.
- ✓ The new Packaging SA has already started work on a comprehensive business plan….
  - ✓ Operational
  - ✓ Marketing
  - ✓ Financial
- ✓ Recognize the need for better data & harmonisation of recycling statistics.
- ✓ Preserve the good work done at all costs.

INDUSTRY PLAN
THE ROAD FORWARD ?

PACSA is in the process of being collapsed & will be replaced with a new PRO to be called Packaging SA.

PACKAGINGSA

We must ensure that South Africa becomes a better place for ALL.


Thank You