



RECYCLING ENTERPRISE SUPPORT PROGRAMME

RESP OVERVIEW

June 2024



forestry, fisheries
& the environment

Department:
Forestry, Fisheries and the Environment

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EXECUTIVE SUMMARY

- RESP was initiated and implemented in 2017 to address the funding gap for emerging black-owned SMMEs and cooperatives in the Circular Economy (CE).
- The programme was originally intended as a Waste Bureau implementation project however to date, it has been managed by Branch: Chemicals & Waste Management.
- The Department offers a maximum of R 5 million grant per qualifying enterprise to implement their recycling projects.
- Since inception, 56 predominately black women and youth-owned enterprises from all 9 provinces have been awarded grants to a value of R264 020 217.
- To date 80% of these enterprises are still operational, have created approximately 526 jobs and have diverted over 3 million tons of waste from landfill.
- RESP 2022 awarded 32 enterprises at a grant value of R157 497 097
- 31 of the projects are under various stages of implementation stages and disbursement drawdown.



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PROBLEM STATEMENT

South Africa generates approximately 55.1 million tonnes of general waste per year and at 34.5%, the current state of waste recycling in the country is at least 15 years away from reaching maturity. With a 33% unemployment rate, mostly affecting the youth, there is a significant opportunity for SMMEs and cooperatives to turn waste into a resource by recovering valuable materials for re-use in the local manufacturing economy, creating job opportunities for low skilled, unemployed citizens, through low barriers to entry employment, and establishing new enterprises and as stimulating growth in the green economy in the waste economy remains woefully inadequate.



RESP – PROGRAMME DESCRIPTION

- Supporting the emergence of micro enterprises and new entrants in the circular economy.
- Grant funding of up to R5m for new entrants and emerging enterprises (cooperatives and SMMEs) in the circular economy.
- Funding support is for waste management related machinery and equipment, infrastructure (with the exclusion of land purchase), commercial vehicles, overheads (including salaries) and business development services.
- The programme is classified under the Department's accounting treatment as 'transfers and subsidies' and as such is not solicited within the procurement framework as a tender and is therefore governed by the RESP Implementation Guidelines which have been approved by the Director-General with concurrence by the National Treasury.



LEGISLATIVE CONTEXT

- Section 6 and 13A (2)b of the Waste Act
- Linked to Pillar 1 & 2 of the National Waste Management Strategy 2020
 - ***“Minimise general waste streams from landfill”***
 - ***“Advance Waste as a Resource”***
 - ***“Waste Collection including separation at source”***



Sound Waste
Management
(Circular
Economy)

Empowerment
of previously
disadvantaged
individuals

Job Creation
and SMME
development

Extended
User
Responsibility

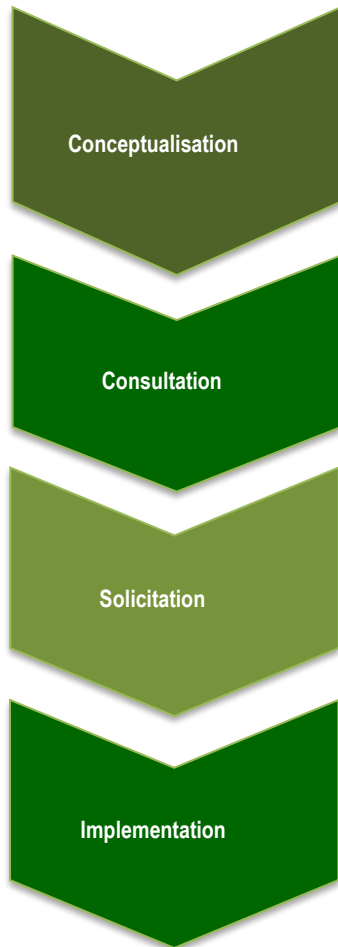


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PROGRAMME DEVELOPMENT APPROACH



- Conduct research and establish status quo
- Develop the Problem Statement
- Determine scope and resource requirements
- Draft a National Concept Document

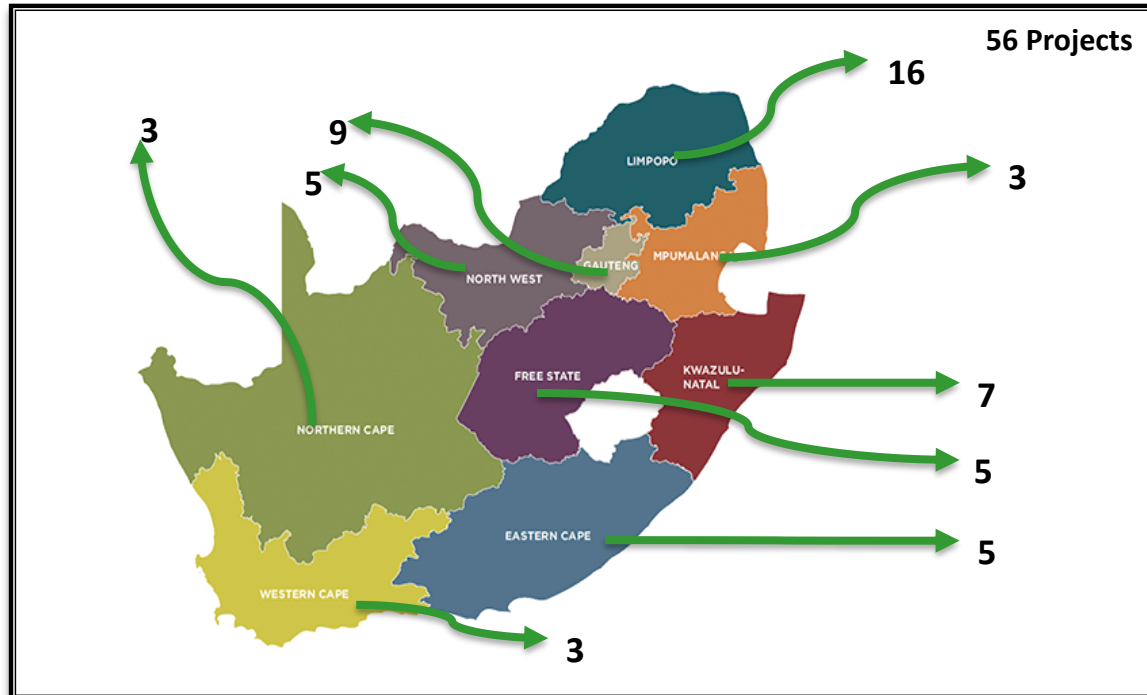
- Consultation with the Provinces for support, coordination and inputs
- Engagement with relevant business support and funding agencies
- Determine strategies to fast track the selected participants to medium to large enterprises

- Development of a uniform framework for identification, selection of participating businesses for development and support
- Draft Terms of Reference and Call for Proposals
- Perform adjudication process for shortlisted companies

- Consultation with the Provinces for support, coordination and inputs.
- Engagement with relevant business support and funding agencies.
- Development of a uniform framework for identification, selection of participating businesses for development and support.



KEY OUTCOMES TO DATE



The following key outcomes are anticipated as a consequence of awarding grants to the above recommended RESP applications:

- 56 RESP awarded recycling projects and representation in all 9 provinces;
- Total grant payments to date of R241 213 171,95
- Approximately 526 jobs created;
- Approximately 3 227 000 tons of waste diverted from landfill per annum;



PROJECT PROFILES

Reduce & Reuse

Recycle

Recover



20 Waste Collection, Sorting & Baling Centres (BBCs)



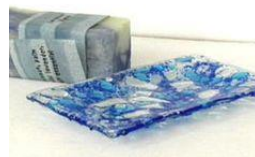
5 Material Recovery Facilities



1 Biomass to Briquettes Plant



5 C&D Waste Recycling Projects



1 Laminated Glass Recycling Plant



14 Plastic Processing Plants



2 Industrial Waste Facilities



2 Waste to Energy Plants (Tyres)



2 Composting Facilities



4 eWaste Processing Facilities



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PHAMBILI SERVICES



- Phambili Services (Pty) Ltd is a Gauteng based, medium size, waste management company established in 1996 with offices in Springfield and Hurlingham, Johannesburg.
- Phambili is led by Mr. Vincent Charnley a seasoned waste management professional and is a past president of the Institute of Waste Management (SA).

- In 2017, Phambili were awarded R3.9m from the programme targeted for the establishment of a Material Recovery Center at their Springfield, plant.
- To date, the enterprise has created 22 permanent jobs.
- In 2018, Phambili Services was contracted by Pikitup to implement a Separation@Source programme in Midrand, Johannesburg.
- This project has resulted in over 181 000 tons of recyclables have been successfully diverted from landfill.
- In 2021, Phambili successfully hosted their first Recycling Waste Management Indaba.





- Eco Care is a black female owned recycling centre based in Ga-Rankuwa, Pretoria.
- Eco Care is owned by Ms. Lerato Makube, a seasoned entrepreneur with recycling experience having operated a buy-back centre at Tshwane Fresh Produce Market.
- Established in 2016, the company formed part of the inaugural 2017 RESP intake wherein they were awarded R 5 million to upgrade their buy-back centre operations into a Resource Recovery Park.
- Eco Care's Resource Recovery Park is now fully operational and currently collects, separates and processes over 2 500 tons of recyclables per annum.
- To date, the enterprise has created over 52 direct jobs.
- Eco Care's future plans include the expansion of their advisory services capability with the aim of becoming a multidisciplinary service provider in the environmental, social, and corporate governance (ESG) sector.





- Ramtsilo Trading Pty Ltd, is a Free State based, 100% black-women and youth owned production plant, manufacturing a brick partly made from recycled plastic.
- Ramtsilo, based in Sasolburg is owned and operated by the Tsiloane sisters.
- Kedibone has a Finance background and Kekeletso has a Civil Engineering background.
- Ramtsilo were recognised at the 2019 Standard bank Top Women pitching conference in the Free State, Engen Pitch & Polish, powered by Raizcorp and SAB Social Foundations Social Innovation Awards.
- Ramtsilo qualified for 2022 RESP intake and were awarded R5 million towards the expansion of the existing plant including the acquisition of additional vehicles.
- They currently have a staff complement of 13 employees and aim to grow the number to 37.
- Ramtsilo intend to divert 5 000 tons of plastics per annum from landfills.





Waste Response CC is a 100% black woman owned and managed waste management business based in Johannesburg that specializes in providing its construction customers with skip-bins which it collects and takes to landfills.

- The business is owned by Ms. Oarona Khama, a property practitioner and former president of the South African Institute of Black Property Practitioners.
- Waste Response were awarded a R5 million grant from RESP in 2017 for the purposes of transitioning the waste skip collection business into a construction and demolition waste (C&DW) processor.
- The primary materials that they recycle are concrete which are converted to G5 materials and resold as concrete aggregate to their construction industry customers.
- To date Waste Response has processed over 24 000 tons of C&D waste and created over 120 direct jobs.



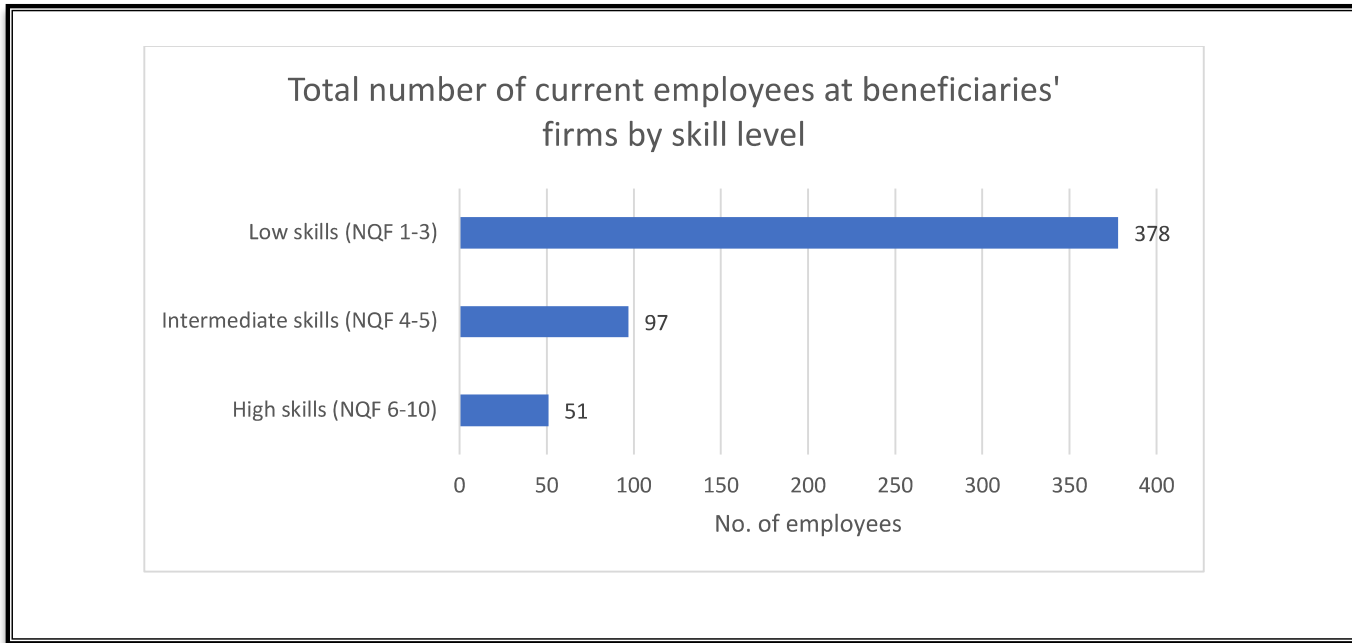
K1 RECYCLING



- K1 Recycling is a 100% black-owned and managed Buy-Back Centre and waste plastics processing plant located in Katlehong, Gauteng.
- The company is co-owned by husband and wife team, Tshepo and Thando Mazibuko.
- K1 Recycling was started when Mr. Mazibuko had been struggling to find employment after aggressively seeking for over four years.
- He started off as waste picker and eventually was able start his own Buy-Back Centre
- K1 Recycling were awarded a R5 million grant from RESP in 2017 towards expanding their existing Buy-Back Centre into a plastics palletisation plant.
- The plant is now fully operational and currently processes over 160 tons of waste plastics per month and has created over 24 direct jobs.
- K1 has attracted global recognition for their work and in 2017 Tshepo was invited by the DFFE Minister to budget vote and acknowledged for his work.



RESP EMPLOYMENT PROFILES

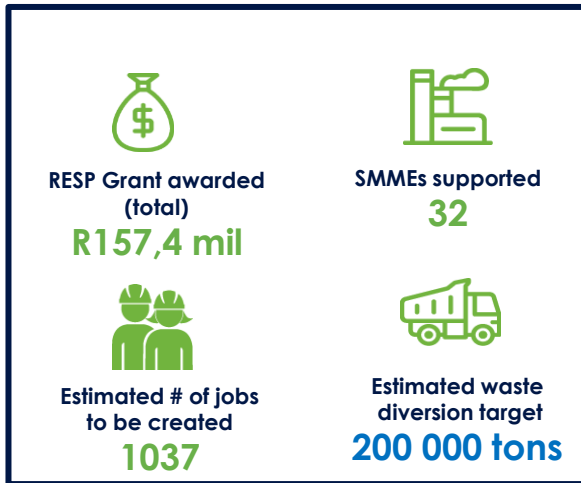


- RESP beneficiaries have created a meaningful amount of jobs, reporting a large number of relatively low skilled workers newly employed over the period of the grant.
- Given the persistent and high rate of unemployment among this group in South Africa, this result alone is a justification for a larger trial of the RESP programme.
- Findings demonstrate an opportunity to foster deeper and wider consultation with key stakeholders to inform future iterations and implementation strategies for the RESP.



SMME SUPPORT: 2022 RESP Summary stats

2022 RESP Portfolio



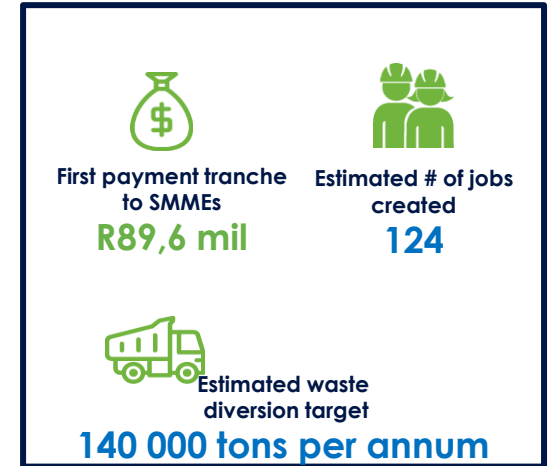
Waste streams

Plastics	8	
Fly ash	1	
Ash (slag)		1
C&D waste		3
MSW	14	
Biomass	1	
e-Waste	1	
Tyres	1	
Organic waste	2	

PS: 8 provinces excluding Gauteng

- Before 2022 intake, 24 RESP beneficiaries benefitted 11 were from the Gauteng Province.
- Due to high number of previously supported RESP beneficiaries in Gauteng, the RESP implementation for 2022/ 2023 financial year prioritised applications from eight (8) province excluding Gauteng Province.
- GP will be considered for the next round of application.

Performance - 1st disbursement



PS: SMMEs contracted in Dec 2022 and so far have been implementing for one quarter



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