

05 November 2021

To:

The Honorable Minister Barbara Creecy
Minister of Forestry, Fisheries and Environment

For attention:

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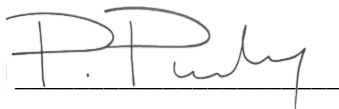
By email: KMokoena@environment.gov.za

RE: Submission: Polyco NPC Extended Producer Responsibility (“EPR”) Plan and Fee Structure

Dear Minister Barbara Creecy

Kindly note hereto the Polyco Plastics Responsibility Organisation plan and fee structure.
We look forward to your consideration and approval of the submission.

Regards,



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Extended Producer Responsibility (EPR) Scheme

Submission to DFFE

5th November 2021

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Abbreviations

ACEN	African Circular Economy Network
ARO	African Reclaimers Organisation
BBBEE	Broad Based Black Economic Empowerment
BEE	Black Economic Empowerment
BIS	Black Industrialist Scheme
CEO	Chief Executive Officer
CSIR	Council for Scientific and Industrial Research
DFFE	Department of Forestry, Fisheries and the Environment
Dtic	Department of Trade and Industry and Competition
EPR	Extended Producer Responsibility
EPS	Expanded Polystyrene
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GN	General Notice
HDPE	High-Density Polyethylene
HIPS	High Impact Polystyrene
ISO	International Organisation for Standardisation
kWh	Kilowatt hour
LCA	Life Cycle Assessment
LDPE	Low-Density Polyethylene
LLDPE	Linear Low-Density Polyethylene
MOI	Memorandum of Incorporation
MRF	Materials Recovery Facility
NCPC	National Cleaner Production Centre South Africa
NEMWA	National Environmental Waste Act
NPC	Not for Profit Company
PCR	Post-consumer Recyclate
PET	Polyethylene Terephthalate
Polyco	Polyolefin Responsibility Organisation
PP	Polypropylene
PPE	Personal Protective Equipment
PRO	Producer Responsibility Organisation
PS	Polystyrene
PV	Photovoltaic
PVC	Polyvinyl Chloride
R&D	Research and Development
S@S	Separation at Source
SALGA	South African Local Government Association
SAPRO	South African Plastics Organisation
SAWIS	South African Waste Information System
SAWPA	South African Waste Pickers Association
SMME	Small, Medium and Micro Enterprises
WWF	World Wide Fund for Nature
XPS	Extruded Polystyrene
YES	Youth Employment Services

1 Introduction

The National Department of Forestry, Fisheries and the Environment (DFFE) published the Extended Producer Responsibility (EPR) Notice and Regulations in terms of Section 18 of the National Environmental Management Waste Act (NEMWA) on 5 November 2020.

A Government Notice published on 15 January 2021 delayed their effective date to 5 May 2021. On 5 May 2021, amendments to the EPR Regulations and Notices were published.

The Regulations are effective from 5 May 2021 and the legislated date for compliance by obligated parties is 5 November 2021. Producers must register with the DFFE and EPR Schemes implemented by this deadline.

In compliance with the legislation, the Polyolefin Responsibility Organisation (Polyco) has compiled this document outlining their planned EPR Scheme for all the identified plastic packaging materials. In accordance with the legislation, this initial Scheme will span 5 years, with Year 1 being 2022.

2 Introduction to Polyco

Polyco is an existing producer responsibility organisation (PRO) that has implemented and operated a voluntary scheme responsible for polyolefins since 2011. In 2021, Polyco merged with Polystyrene Association of South Africa and Vinyl Loop and will continue operating as a PRO, implementing a mandatory EPR Scheme for all identified plastic packaging materials¹.

Polyco is a registered Not for Profit Company (NPC), Registration number 2011/009920/08.

2.1 Polyco's purpose

2.1.1 Purpose and Principles of the Polyco EPR Plan

The EPR Regulations seek to extend the responsibility of Producers of Identified Products (packaging), both financially and physically, to the management of these products at their end of life.

Polyco aims to grow the collection and recycling of all plastic packaging in South Africa and promote the responsible use and reuse of this plastic packaging.

Polyco's mission is to reduce the amount of plastic packaging going to landfill and to end plastic waste in the environment. Polyco does this by collaborating with multiple stakeholders and the value chain, by investing in recycling innovation and infrastructure in South Africa, and by educating both the industry and the consumer about recycling.

The aim is to focus on the diversion of plastic packaging from landfill by increasing collection rates, growing recycling volumes and targeting plastic waste diversion from landfill. To achieve this Polyco focuses on four pillars:

1. **Information (Education and Awareness):** Promoting consumer education and awareness programmes.
2. **Infrastructure:** Supporting existing and encouraging new polyolefin collection and recycling networks, by investing in infrastructure development.
3. **Innovation and End-use development:** Undertaking research and developing value chain projected to stimulate end use demand.

¹ 1 – Polyethylene Terephthalate (PET), 2 – High-Density Polyethylene (HDPE), 3 – Polyvinyl Chloride (PVC), 4 – Low-Density Polyethylene (LDPE), 5 – Polypropylene (PP), 6 – Polystyrene (PS) and 7 – Multilayer / multi-material / laminates

4. **Collaboration:** Understanding, working with and advocating with all stakeholders along the value chain.

Figure 1 provides a schematic of Polyco's four key pillars needed to unlock the economic value of waste in South Africa.

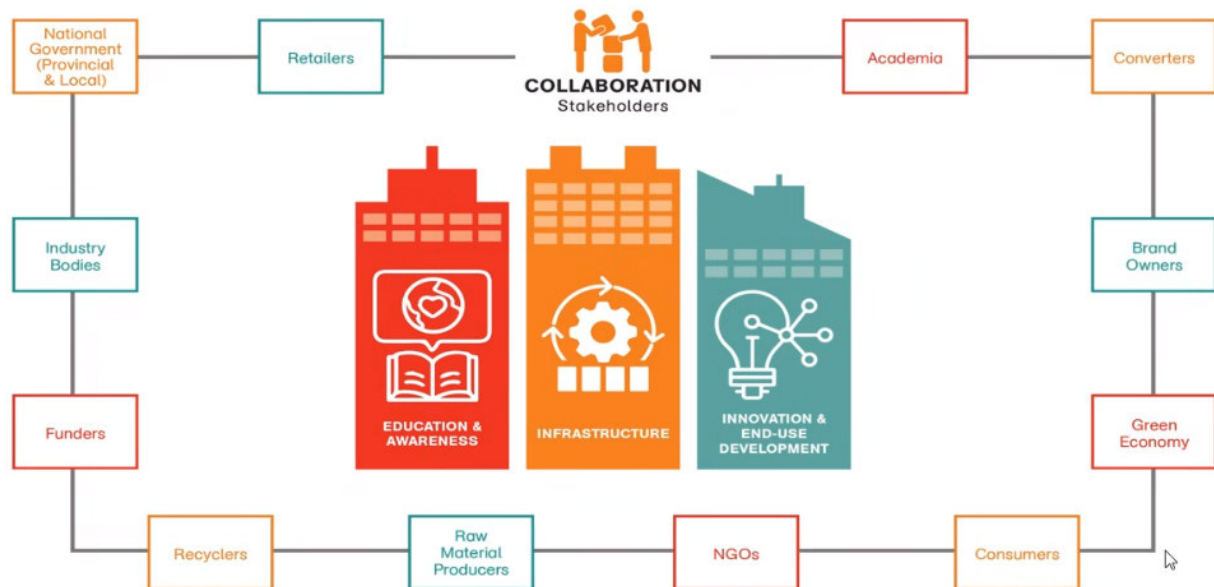


Figure 1: Polyco's Four Pillars

2.1.2 Proposed structure of Polyco

2.1.2.1 Current company structure

Polyco is represented by its members and functions under the leadership of the Chief Executive Officer (CEO) and a Board comprised by representatives of its member sectors. The member sectors currently represented in the Polyco Board are packaging converters, resin producers, brand owners, industry bodies and retailer associations.

Polyco was previously an exempt organisation as the turnover was under R10million. However, Polyco is undergoing a certification process presently to ascertain the Black Economic Empowerment (BEE) level. Currently the organisation employs 15 people nationwide and this will be increased in order to implement the EPR Plan. Any new appointments will be made taking the BEE level into account with the overall aim of improving it as required.

2.1.2.2 Polyco Board & Governance

To meet the requirements of the EPR Regulations and implement the Scheme, changes will be required from the Board level all the way through the organization.

The structure of the Board is in the process of being changed to be more representative of the broader industry and value chain and will include amongst others:

- 2 x Brandowner representatives
- 4 x Converter representatives
- 2 x Retailer representatives
- 1 x Recycling representative
- 1 x Waste Picker representative
- 1 x Importer representative

- 1 x Resin Producer representative

An updated Memorandum of Incorporation (MOI) is being developed and will be finalized after 5 November 2021, once Polyco has a clear idea of their membership under the new Regulations. This is to ensure new member support of the Board and gain their buy-in to the Scheme.

Polyco will also include an Advisory Committee providing industry expertise and input, and where necessary oversight. This will consist of representation from organisations such as:

- Plastics Industry Organisations e.g. SAPRO, PlasticSA or Packaging SA
- Other Industry Associations e.g. SA Plastics Pact; ACEN
- Expert Advisory Role /Academia/R&D e.g. CSIR

Polyco's proposed EPR Structure aims to provide the most efficient and cost-effective model to ensure transparency, good governance and ethical conduct.

2.1.2.3 *Current membership*

Since inception, Polyco has been funded by means through a voluntary recycling levy paid per tonne of polyolefin polymer purchased by packaging converters from international or local suppliers. Polyco currently represents approximately 55% of the Rigids market and 5 % of Flexibles and Multilayer markets and funds have previously been invested into established collection and recycling projects. Polyco also represents 80% of the Polystyrene (EPS, XPS and HIPS) market and 80% of the locally manufactured Vinyl film market.

A list of the existing members at the time of submission is provided in **Annexure A**.

2.1.3 *Polyco's Obligations*

The most challenging aspect of the scheme is the change that is required to take place across the value chain, from design to consumer behaviour change.

The overarching aim of the Polyco's EPR Scheme is to:

- Stimulate the economy;
- Focus on both urban and rural areas of South Africa;
- Include transformation in its investment strategy; and
- Be inclusive by representing the interest of the full value chain e.g. brand owners, packaging converters, retailers, collectors (informal and formal), recyclers and consumers.

Polyco will collaborate with existing organisations to assist with the messaging to improve knowledge and raise awareness that leads to actual behaviour change, to change packaging design, minimise leakage (litter) into the environment and provide the necessary support to ensure the collection of recyclables.

The Regulations place the following obligations on Polyco as a PRO:

- Polyco must utilise new and existing infrastructure across EPR schemes in a collaborative manner where feasible, or establish and operate new infrastructure within 3 years after completion of feasibility studies, where the initial feasibility study must be undertaken within 2 years of implementation of the EPR scheme, that identifies the need for additional infrastructure;
- Polyco must compensate waste collectors, reclaimers or pickers, who register with the National Registration Database, for collection services and environmental benefits, through the collection service fee by November 2022.

- Polyco must implement transformation within those entities with whom they contract, with a special focus on women, youth and persons living with disabilities.
- Polyco must prioritise the promotion of small businesses and entrepreneurs with a special focus on women, youth and persons living with disabilities.

Polyco will meet these obligations by ensuring these items are a focus area in the implementation of planned projects. In addition to meeting the abovementioned obligations, Polyco will also provide assistance to members and play a supporting role to producers, collaborating with them and other industry organisations as well as PRO's for life cycle assessment (LCA), and environmental labels and declarations and will support the BBBEE transformation charter.

3 Polyco as PRO

Polyco registered as a PRO with the DFFE (Ref: 19/7/5/P/PRO/20210517/002), as prescribed, within the 6-month period of the publication of the EPR Regulations in the Government Gazette. Polystyrene Packaging Council registration (Ref: 19/7/5/P/PRO/20210908/009) will be retracted as they have been incorporated into Polyco since their registration.

Polyco has developed an EPR Scheme that, as per section 4(1)(b) (i), (ii) and (viii) of the EPR Regulations (GN 400 of 5 May 2021), includes the following identified products or class of products:

Plastic packaging (both printed and unprinted):

- Type 1 Polyethylene Terephthalate (PET) Beverage bottles, oil bottles, thermoforms, flexible;
- Type 2, 4, 5 Polyolefin rigid;
- Type 2, 4, 5 Polyolefin flexible;
- Type 3 Polyvinyl Chloride (PVC) rigid and flexible²;
- Type 6 Polystyrene (PS) expanded and high impact; and
- Other (multilayer plastic packaging including those with resin code 7).

This includes the single use items made of PS, HDPE, PET and PP:

- Films/flexibles: agricultural mulch films, garbage bags, pallet wrap;
- Injection moulded products: cups, tubs, cutlery (knives, forks and spoons), stirrers;
- Blow moulded products: bottles, containers, jars;
- Extruded products: straws, sheets; and
- Thermoformed products: trays, punnets, cups, various packaging.

Polyco will operate on one EPR Scheme, but will address the different packaging and materials as operationally separate units for Rigid, Flexible, PET, Polystyrene, Vinyls and Multilayers. The collection models and investment as well as education and awareness will be combined, with certain aspects such as recycling investment being separate and materials specific.

In summary, it is confirmed that Polyco is an autonomous body that has been established by producers and is a registered not-for-profit company, managed by a board of directors comprised of representatives from producers and adheres to the Companies Act 2008 (Act No. 71 of 2008) in terms of good corporate governance and management of conflicts of interest.

² Polyco refers to PVC as Vinyls

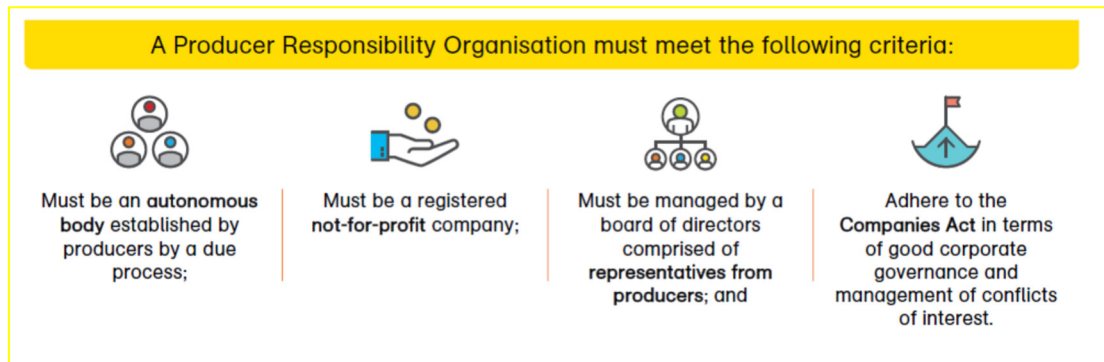


Figure 2: PRO Criteria in terms of the Regulations

The Polyco EPR Scheme represents the interests of packaging and polymer importers, polymer manufacturers, converters, brand owners, retailers, collectors (formal and informal), recyclers and importantly, consumers.

Each stakeholder along the value chain will need to play their role to ensure that the EPR schemes meets its objectives. Polyco is developing a stakeholder map, see **Figure 3**, identifying the responsibility of each stakeholder along the value chain. The EPR scheme will ensure that each stakeholder is engaged, consulted and understands their roles and responsibility to ensure the success of the scheme.

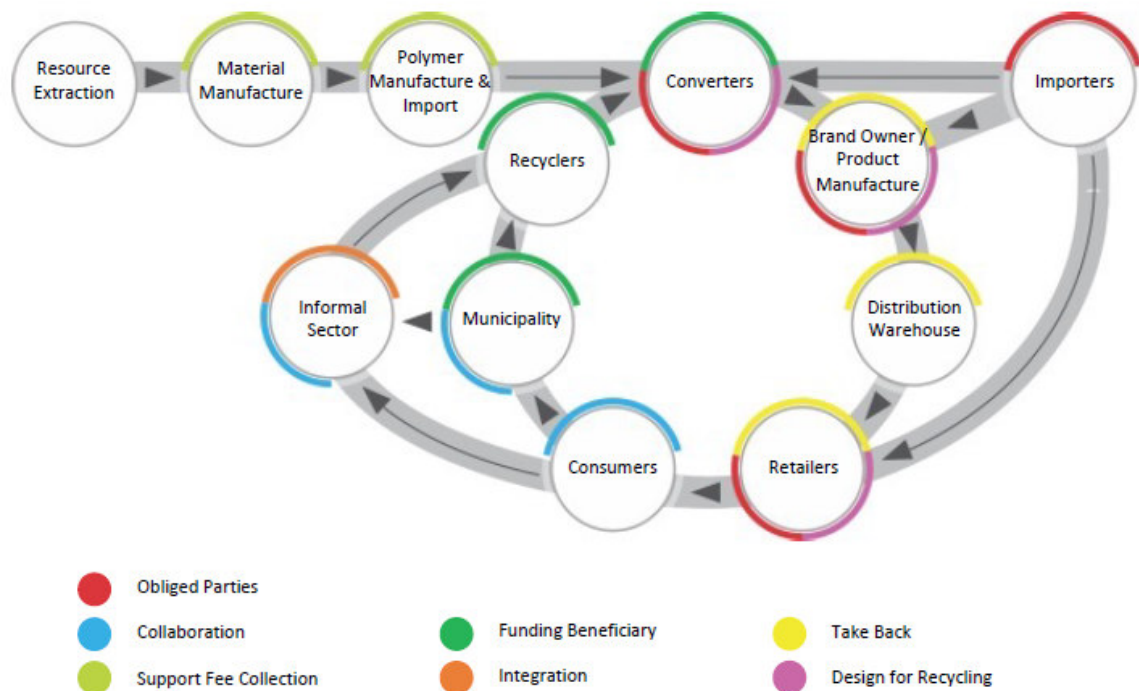


Figure 3: Polyco's Proposed EPR Scheme Stakeholder Map based on existing information

4 EPR Implementation

4.1 Targets/Recycling

presents the targets for each polyolefin waste stream as per Annexure 1 of the Extended Producer Regulations, published in Government Gazette No. 44539 on 5 May 2021. The targets apply for a period of five years from the date of implementation of the Extended Producer Responsibility Scheme. 2022 will be regarded as Year 1 of the EPR scheme implementation, reporting and targets.

Table 1: EPR Legislated targets for the plastic waste streams

Product or class of products	Year	Product design (recycled content) (%)	Reuse target (%)	Collection target (%)	Recycling target (%)	Energy recovery / exports / other (%)
Rigid polyolefin packaging	1	-	-	55	39	-
	2	-	-	57	42	-
	3	-	-	60	45	-
	4	-	-	61	48	-
	5	-	-	64	52	-
Flexible polyolefin packaging	1	-	-	58	44	-
	2	-	-	60	46	-
	3	-	-	62	48	-
	4	-	-	64	50	-
	5	-	-	66	52	-
Multilayer polyolefin packaging	1	-	-	15	11	-
	2	-	-	20	15	-
	3	-	-	25	20	-
	4	-	-	30	25	-
	5	-	-	35	30	-
Polyvinyl Chloride (Rigid and flexible)	1	-	-	6	5	-
	2	-	-	6.5	5.5	-
	3	-	-	7	6	-
	4	-	-	7.5	6.5	-
	5	-	-	8	7	-
Polystyrene (Expanded and High Impact)	1	-	-	22	20	-
	2	-	-	27	25	-
	3	-	-	33	30	-
	4	-	-	40	36	-
	5	-	-	48	43	-
Single use Products (PS, HDPE, PET & PP)	1	8	-	60	30	-
	2	12	-	65	35	-
	3	14	-	70	40	-
	4	17	-	75	45	-
	5	20	-	80	50	-
PET Beverage bottles	1	10	-	60	54	-
	2	12.5	-	64	58	-
	3	13	-	66	59	-
	4	15	-	68	61	-
	5	20	-	70	65	-
PET Oil Bottles	1	-	-	7	6	-
	2	-	-	13	12	-
	3	-	-	25	23	-
	4	-	-	32	29	-
	5	-	-	39	35	-
Thermoformed PET	1	-	-	9	8	-
	2	-	-	13	12	-
	3	-	-	19	17	-
	4	-	-	27	24	-
	5	-	-	35	30	-
Flexible PET	1	50	-	10	9	-
	2	55	-	20	18	-
	3	60	-	30	27	-
	4	70	-	40	36	-
	5	80	-	50	45	-

The graphs below show the projected plastic packaging market and recycling and collection figures for Year 1 of the Extended Producer Responsibility Scheme operation. Note the following:

- 2019 data represents actual data, of the total packaging market. Although 2020 data is available it has not been used based on the market being affected by the Covid-19 pandemic.
- Polyco’s target tonnages for recycling are based on membership as a percentage of total market. This membership is based on estimates resulting from stakeholder engagement during the development of the Scheme.
- Actual membership will only be confirmed from 5 November 2021 and can be expected to grow and possibly change as the obliged parties come to grips with the regulations.
- Information on imported materials is also only expected to come to light after 5 November 2021. Budgets and target tonnages will be adjusted accordingly as this market is better understood.
- Collection figures for polyolefins were historically collected based on material type and not split according to rigid and flexible. As such graphs representing the 2019 recycling rate as the baseline for Polyco against the legislated has been represented.

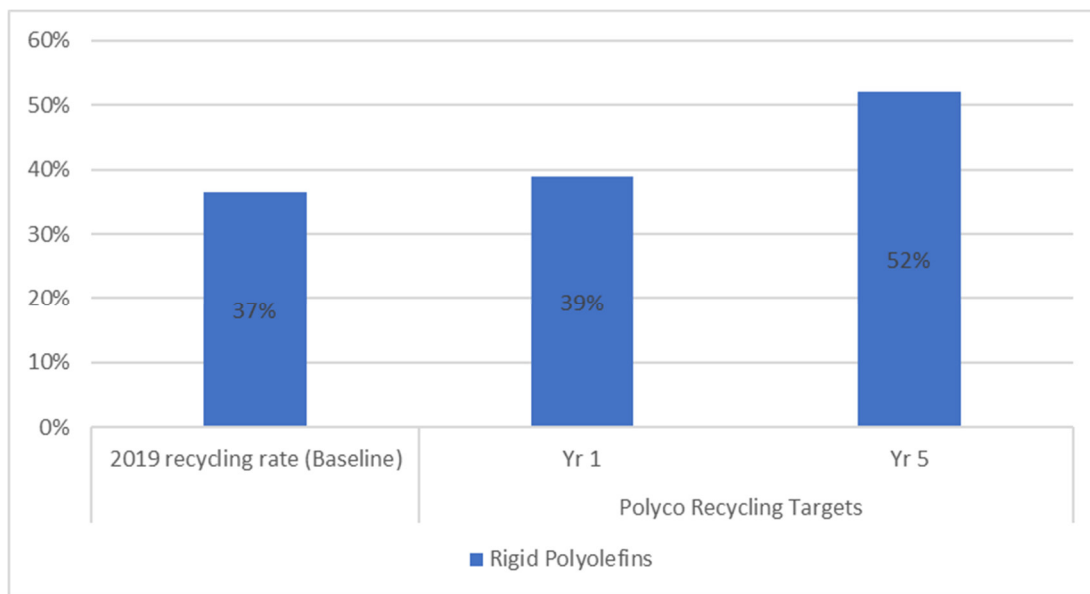


Figure 4: Rigid polyolefin Polyco 2019 recycling rate against and Year 1 & 5 legislated targets

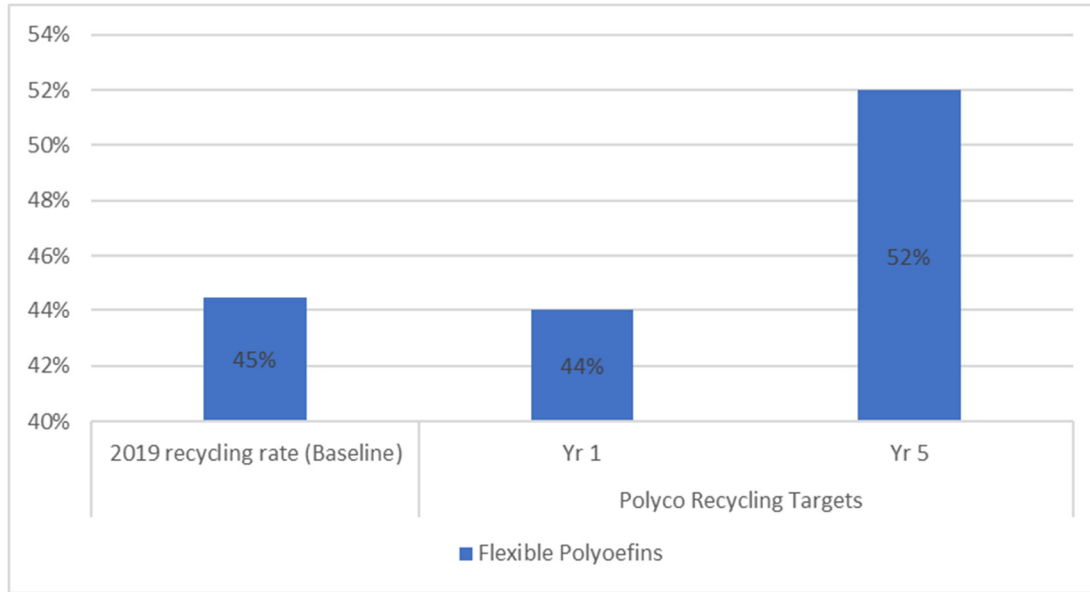


Figure 5: Flexible polyolefin Polyco 2019 recycling rate against and Year 1 & 5 legislated targets

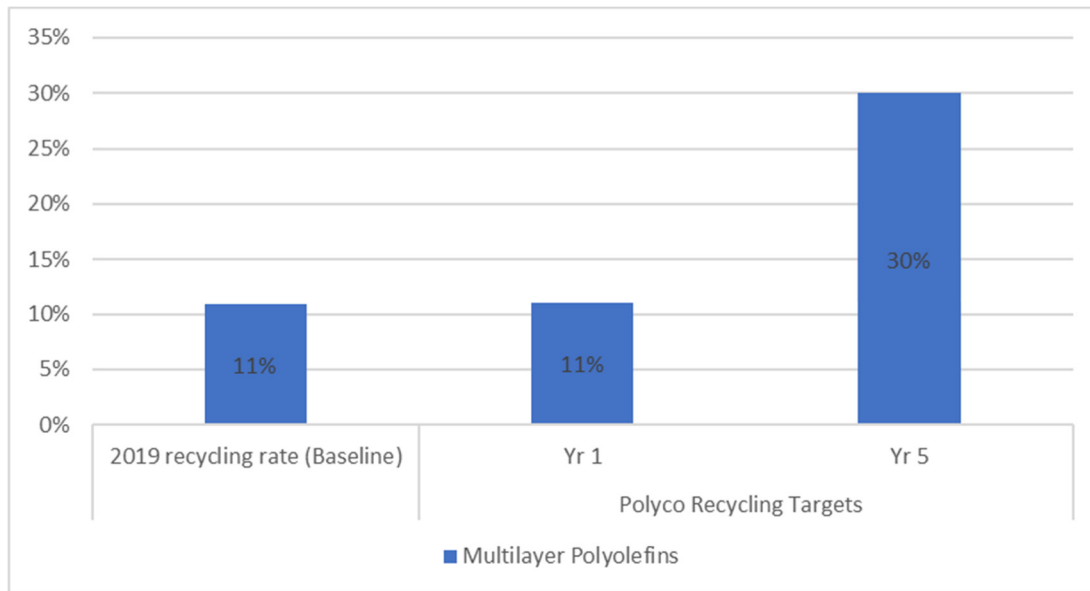


Figure 6: Multilayer polyolefin Polyco 2019 recycling rate against and Year 1 & 5 legislated targets

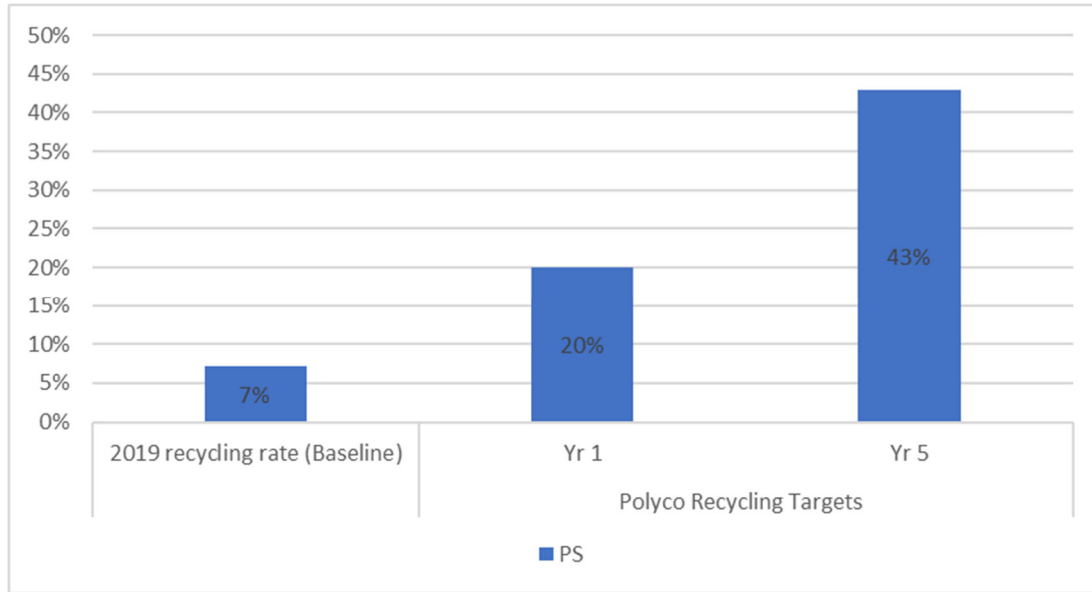


Figure 7: Polystyrene Polyco 2019 recycling rate against and Year 1 & 5 legislated targets

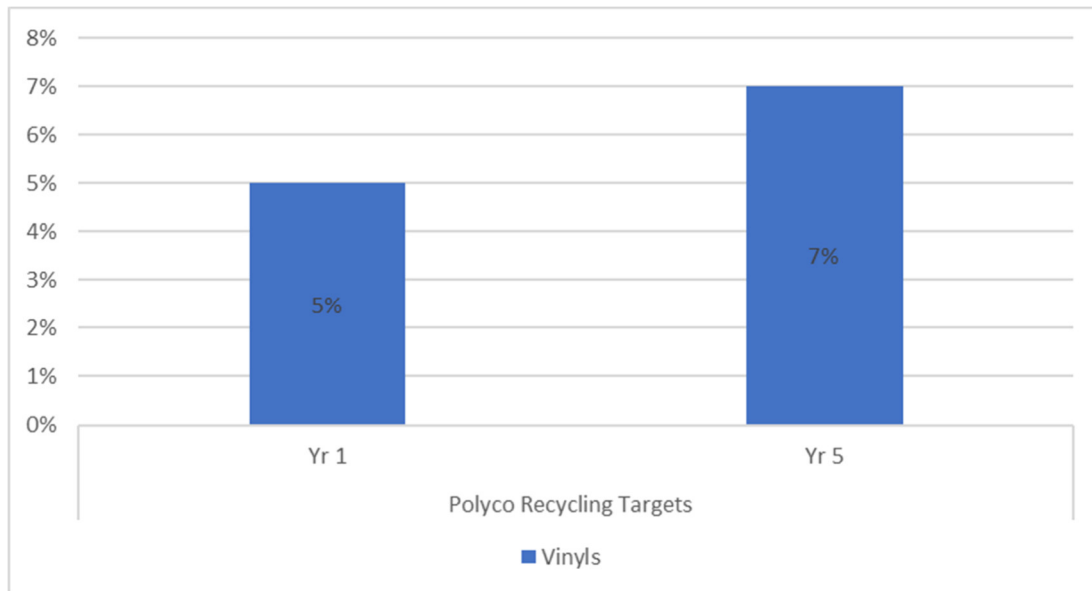


Figure 8: Year 1 & 5 legislated targets for Vinyl*

* Note: a 2019 baseline has not been included for Vinyl as there is no recycling currently taking place.

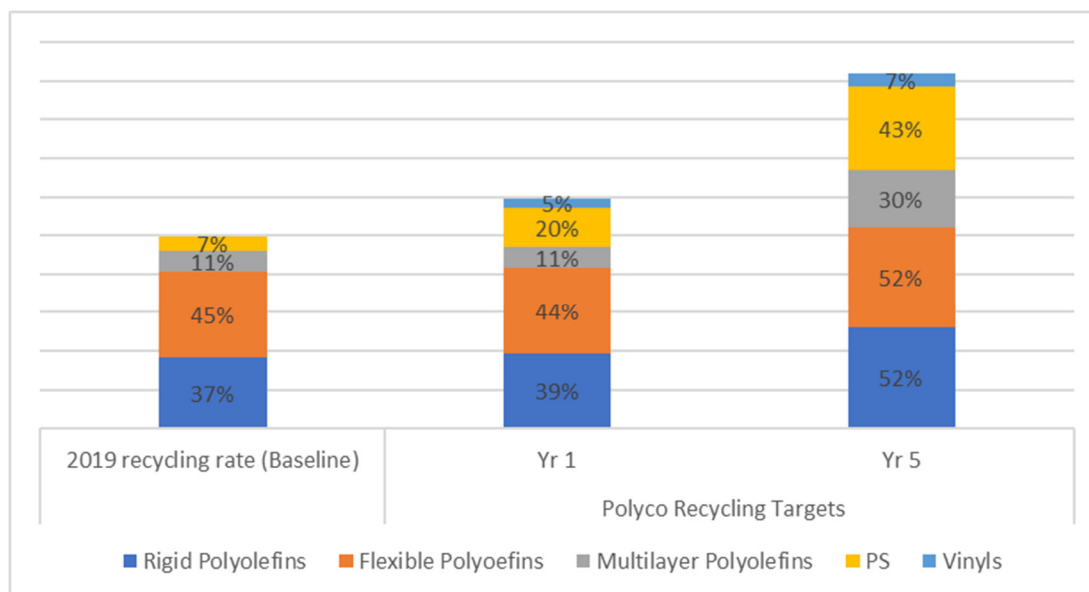


Figure 9: Summary graph with the combined 2019 recycling rates and the Year 1 & 5 legislated recycling targets

4.2 Membership

All producers, converters, brand owners that manufacture or generate plastic packaging materials (and place more than 10 tons on the market) are required to be members of an EPR Scheme from 5 November 2021. Polyco will be funded directly by the producers via the implementation of the mandatory EPR fee. EPR will therefore no longer be voluntary and will follow a true EPR approach for the entire packaging market. Compliance with the requirements of the EPR scheme will also require all members of the EPR scheme to sign and commit to a behavioural charter.

Polyco is required to develop and maintain a register of its members, in the event that the scheme has two or more members. Polyco will use their existing register and database system to register members, please see **Annexure B** for the list of producers that have registered with Polyco to become new members once the Minister has approved the EPR Fees. From 1 January 2022, the information will be migrated to the database which is being developed to track reporting data.

Membership is for one year with a 6-month notice period should a member wish to leave the Scheme.

Non-paying members but who are still obliged parties and participants in the value chain e.g. brandowners, distributors or retailers, are encouraged to register and join, order to assist with tracking of free-riders, reporting of tonnages and to allow open communication and consultation channels.

Existing members with an expansion rate and growth in membership has been factored into this EPR Scheme to provide a buffer to accommodate new members joining within limits and still allow Polyco to meet the legislated targets.

4.3 Projects/Implementation

In order to implement the proposed projects, Polyco will be required to increase their staff complement and allowance for this has been made within the budget. In addition to permanent Polyco employees, it is envisaged that there will be a number of Polyco led working groups that will be formed to assist with implementation. These working groups will comprise of Members, Board

Members, Industry Bodies and Academia. The working group will factor in conflicts of interests and focus on pre-competitive collaboration.

Key areas for implementation of the EPR Scheme will include the following areas:

- Strategic Partnerships
- Logistics and Collection
- Collection and Beneficiation Strategies i.e. for challenging, to recycle materials such as Polystyrene, Vinyls, Multilayer and Flexible's push-and-pull-strategies will be required to grow collection and uptake simultaneously.
- Support and collaboration with the Informal Sector
- Sector Development and Investment Support into transformation, research and development and End use markets
- Municipal support and collaboration
- Financial aspects of the EPR Scheme such as setting and collecting EPR Fees
- Monitoring and evaluation in terms of assurance and targets

4.3.1 Municipal Initiative Fund and Support

The EPR Regulations require a PRO that establishes an EPR Scheme to “co-operate with all municipalities (where applicable), within 3 years of implementation of their extended producer responsibility scheme, to increase the recovery of identified products from municipal waste;”

The Polyco EPR Scheme has set up the Municipal Initiative Fund which includes an annual amount in the budget that will allow for engagement and collaboration with local government, i.e. local municipalities. This is specifically for projects undertaken in a municipal area and projects may include the following, over and above other collaborative efforts and support that will be provided:

- Separation at source support and development
- Infrastructure e.g. facilitation of MRF development
- Equipment
- Operational assistance

Fixed amounts are not set specifically for any of the above items; however, the total annual amount is set. The intention here is that there needs to be a degree of flexibility in order to identify the most appropriate project for implementation in an area and municipal needs and readiness differ.

Specific municipal areas have not yet been selected for implementation of this aspect of the EPR Scheme. It is envisaged that a working group will be set up to identify where to start with piloting or implementing project and programmes that will assist in alleviating the burden on municipalities and diverting waste from landfill.

DFFE has already undertaken a number of projects in conjunction with the GIZ³ to understand the status quo of selected municipalities (twelve in total) in relation to waste management practices and identifying barriers to alternative waste treatment implementation (“enablers/ constraints” also termed “gaps and opportunities”). These municipalities have considered scenario (strategy) development and high-level interventions based on short and medium-term interventions, to improve the waste management systems with emphasis on waste diversion away from landfills, climate change

³ Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

mitigation and job creation per municipality. Bankable business plan and an implementation plan for a selected project (intervention) from the preferred scenario was developed.

It is likely that this type of existing information and level of readiness will be used as a basis to take the Municipal Fund forward.

DFFE developed a Draft Status Quo document for Separation at Source (2018). There are also municipalities that are piloting two and three bag collection systems which may show a level of readiness for implementation and engagement on this aspect from the first year of the Scheme implementation. Implementing Separation at Source is critical to the success of EPR and Polyco will, in collaboration with Municipalities, determine how best to provide support and create an enabling environment.

Accessing the source separated recyclables typically requires a secondary collection system, together with multi-pronged behaviour change and awareness campaigns to encourage participation. Source separated recyclables may also be obtained through innovative initiatives such as mobile buy-back centres, swap shops and food for waste programmes.

4.3.2 Waste Picker Integration

The informal sector collectors, including street waste pickers and landfill waste pickers, currently play an important role in the recovery of recyclables. Any work undertaken in the informal waste sector by Polyco will be undertaken in consultation and collaboration with the informal sector, experts and researchers in the field and other role-players or stakeholders.

A budget has been allocated to work closely with this sector through existing networks to understand their needs and the most appropriate entry point.

As with the Municipal Fund, a set amount has been allocated on an annual basis for Waste Pickers. This is to ensure that there is ongoing engagement and the main aim of this segment of the budget is to provide an inclusive approach and ensure ongoing budget allocation towards Waste Picker integration.

The EPR Regulations define a "*collection service fee*" which means the agreed fee payable to the waste collectors, reclaimers or pickers through the extended producer responsibility scheme. This has been factored into the budget, with an aim to start disbursement from Year 2.

PRO's are required to compensate waste collectors, reclaimers or pickers, who register with the National Registration Database, for collection services and environmental benefits, through the collection service fee by November 2022. The collection service fee and the National Registration Database shall be reviewed annually by the National Department responsible for Environmental Affairs.

PROs are also required to integrate informal waste collectors, reclaimers and pickers into the post-consumer collection value chain. Polyco will include this aspect of integration into separation at source and collection systems through work undertaken with Municipalities by means of the Municipal Fund and aim to include the informal sector in a manner that integrates them into the recycling economy in a value-adding activities. A focus on gender and providing support to women waste pickers and those with disabilities will be included and potential areas to where women waste pickers can be supported based on challenges experienced will be identified based.

In the waste industry the recycling process presents opportunities for varying degrees of skilled and semi-skilled employees to perform recycling industry jobs, from collection of materials to selling recyclate to be used as a raw material for the production of new goods.

4.3.3 Secondary Market Development

It is a requirement of the EPR Regulations that a PRO develop and establish secondary markets for recycled content.

It is important to understand that the cost of recyclate is affected by the oil price. When the price of oil drops, so does the price of virgin plastic polymer. This constant fluctuation affects end markets and increases the uncertainty and business risk for the recycling sector. Recyclers have costs related to collection and sorting, and other overhead costs coupled with the risk of low-quality feedstock. Converters tend to prefer virgin plastic feedstock due to the consistency and as recycled plastic/recyclate, particularly post-consumer recycled plastic, may have contaminants that negatively affect overall plant efficiency, resulting in more waste material. Cost is one of the major barriers for all sectors to using post-consumer recyclate in their packaging and products.⁴

The EPR Scheme has allowed an annual spend within the budget on providing support to the BIS with the intention to identify and support existing or new entrants into the plastic and packaging manufacturing sector specifically in recycling and the secondary materials markets.

Polyco's existing Post-Consumer Recyclate (PCR) project and involvement will be expanded to further supporting recyclers to improve the quality of their PCR to ensure it meets the requirements of the brand owners and thereby grow the demand for polyolefin PCR.

In terms of end use markets for recyclate, and to ensure an enhanced value proposition of recycled polymers, it will be important to focus on quality critical end-use markets to enable resistance to economic fluctuations which are currently present in the recycling industry. The aim is to develop consistent good quality recycled pellets which can achieve a target minimum price of 80% of the virgin price, creating enhanced margins for the recycler which will facilitate further investment in their operations. The focus will be new market and demand creation for recyclate material.

This will however require commitment by Brand Owners to use recyclate in their packaging design and will be an important area of collaboration.

A big focus of the R&D component of the EPR Scheme is on identifying and stimulating secondary markets / end-use demand for additional recyclate into the market. Part of this process will be linked to the black industrialist programme as the intention is to stimulate this growth in line with enterprise development and additional Black owned recyclers and / or new end-use markets.

4.3.4 Support to Recyclers

Polyco plan to support and fund recyclers through the EPR Scheme using small scale projects such as:

1. Funding the purchase of equipment such balers or the installation of wash plants
2. Funding existing businesses to grow and develop up the value chain
3. Small scale support such as PPE or cages etc;

⁴ Van Os, E. and De Kock, L. 2021. *Plastics: From recycling to (post-consumer) recyclate: Industry views on barriers and opportunities in South Africa*. WWF South Africa, Cape Town, South Africa.

4. Resource and Energy efficiency assistance in partnership with the NCPC
5. Installation of Solar-PV systems to assist in reduced energy costs (1 PV system per year based on an approximate cost of R390K for 20kWh system with battery back-up).

Funding will be based on continued support to existing recyclers as well as growing new capacity for existing recyclers and new businesses.

Polyco have also implemented a business skills development fund which will be provided to all previously disadvantaged project partners to support sustainable growth in their business and to maximise their business potential.

The business skills development fund will enable the following skills transfer:

1. The transfer of skills to effectively run a mechanical recycling operation in terms of the technical, financial, management and commercial skills
2. Mentorship and training in terms of obtaining and managing the working capital required to start and operated a mechanical recycling operation
3. Mentorship and training in terms of operating the business from an operational perspective

4.3.5 Projects

4.3.5.1 Packa-Ching

Budget has been allocated to support the Packa-Ching model as the intention of the model is to develop sustainable SMME's that enable the project to be scaled up and rolled out nationally. Currently Packa-Ching has 8 operating mobile units, see **Figure 10**. Packa-Ching aims to establish 25 mobile Packa-Ching entrepreneurs over the next 3 years. By increasing the project's footprint, Packa-Ching will continue to decrease the amount of packaging waste entering the environment and landfills and contribute to environmental sustainability, whilst providing the additional benefit of an income earning opportunity for individuals living in low-income areas.

In addition to mobile units, Packa-Ching aims to establish the following:

1. Static Packa-Ching units / pop-ups.
2. Launch of a static buy-back centre in Buffalo City Municipality.
3. Launch bicycle mobile units to be used in areas where trucks / vehicles are unable to drive.
4. Packa-Ching Schools Programme to be rolled out in 2022.
5. Roll-out the Packa-Ching web application system to existing static buy-back centres.
6. Potentially utilise the Packa-Ching web application for waste picker registration, if necessary.



Figure 10: Packa-Ching Unit in operation.

4.3.5.2 Khaya Khanya Lightweight Cement Factory

The Khaya Khanya is a franchise model that has been developed in cooperation with an impact investment company and a producer of lightweight cement building bricks. This model’s purpose is to invest and support BEE entrepreneurs in a factory focusing on cleaning the environment, creating jobs and building homes in communities and surrounding municipal areas. The incubation and support from all parties is crucial to the success of the project. Budget has been allocated to open approximately 5 factories per year.



Figure 11: Illustration of Khaya Khanya lightweight concrete factory

4.3.5.3 Recycling Hubs

Budget has been allocated to the building of two Metropolitan Recycling Hubs in Gauteng and the Western Cape in the first year. These hubs will be not-for-profit companies with the purpose of subsidising the transport of challenging- to-recycle plastics. This will increase the supply of plastics into an end market with a demand for recycle. The materials that currently fall into this category is polystyrene and vinyl. Both these materials have successfully grown end-market demand and the unlocking of logistics will ensure the reaching of recycling targets set in the EPR regulations. The aim of these factories is to create jobs and to support the development of young entrepreneurs in the recycling industry, thereby offering teaching opportunities and skills development. The recycling hubs will also be extended to multilayer as the end-market grows.

4.3.6 Collaboration

Collaboration is one of Polyco's four pillars and is seen as understanding, working with, and advocating with all stakeholders along the value chain. One of the aims is to support transformation of the recycling sector through grant funding to support value chain development and the progression of Small, Medium and Micro Enterprises (SMMEs); and skills development support.

The Polyco EPR Scheme intends to maintain existing and form new strategic partnerships in order to help realise the purpose and principles of the Polyco EPR Schemes. The formation and maintenance of strategic partnerships may also create an opportunity for the input and a role on working groups to address various challenges experienced by stakeholders within the plastics value chain. The following stakeholders have been identified as key partnerships for the Polyco EPR Scheme:

- South African Plastics Recycling Organisation (SAPRO)
- Plastics South Africa (Plastic SA)
- GreenCape and the South African Plastics Pact, which is a collaborative initiative of various stakeholders of the plastics value chain including producers, brandowners, NGOs, PROs, South
- Paper and Packaging Alliance (PP Alliance)
- Various Waste picker organisations i.e. South African Waste Pickers Association (SAWPA) and African Reclaimers Organisation (ARO)
- National Cleaner Production Centre of South Africa (NCPC-SA)
- South African Local Government Association (SALGA)

4.3.7 Transformation

One of the purposes of the Polyco EPR Scheme is to support transformation of the recycling sector through grant funding to support value chain development and the progression of Small, Medium and Micro Enterprises (SMMEs); and skills development support. This will be achieved through grant applications and transformation support.

In terms of building sustainable businesses, the EPR Scheme also includes a grant funding application avenue for new entrants into the market. Part of the grant funding application is a minimum Broad Based Black Economic Empowerment (BBBEE) Level of 51% black owned business:

- 100% BBBEE - Applicants in this category will qualify for 50% of their funding to be in the form of a grant up to an amount of R4m, the balance will be in the form of an interest free loan over 60 months.

- 51% BBEEE - Applicants in this category will qualify for 25% of their funding to be in the form of a grant up to an amount of R4m, the balance will be in the form of an interest free loan over 60 months.

Transformation will be illustrated by a summary of the total actual project funding which will be made up of value chain progression projects (SMME Development), skills development, and municipal support projects.

The Black Industrialists Scheme (BIS) is a grant programme of the Department of Trade Industry and Competition (the dtic) with the broader objective of promoting industrialisation, sustainable economic growth and transformation through the support of black-owned entities in the manufacturing sector. It aims to unlock the potential within black industrialists that operate in the South African economy through deliberate, targeted and well-defined financial and non-financial interventions⁵.

The EPR Scheme has allowed an annual spend within the budget on providing support to the BIS. The intention here is to assist with the identification of potential existing or new entrants into the plastic and packaging manufacturing sector specifically in recycling and the secondary materials markets. The reason is to ensure that end-use markets are developed locally to ensure that there is an off-take for the recyclables and the recyclate, however there are multiple potential entry points along the whole material value chain to develop new enterprises.

4.3.8 Research and Development

A big focus of the R&D component of the EPR Scheme is on identifying and stimulating secondary markets / end-use demand for additional recyclate into the market. Part of this process will be linked to the black industrialist programme as the intention is to stimulate this growth in line with enterprise development and additional Black owned recyclers and / or new end-use markets.

Material beneficiation in the form of waste to energy cannot be ignored. It is not necessarily a priority area as in terms of the waste hierarchy, the recovery of energy from waste is far down the list of priorities.

R&D will be undertaken to assess whether there is a need (or desire) to “Brand” the EPR system to achieve greater awareness and / or to provide a sense of assurance to consumers about the product choices they are making. Research would be necessary to understand what the intention and aim of the branding would be.

Other Research and Development (R&D) linked projects are envisaged to include:

- Finding sustainable solutions for the recovery and processing of challenging waste streams such as the multi-layer stream, or considering which should be designed out of the system.
- Quality/ISO tiered implementation projects. These projects will be aimed at raising the quality of the products being offered in the market-place to increase demand for the use of recyclate as a comparable alternative / addition to virgin material.
- Project incubation funds for the support of incubating projects like Packa-Ching. These projects would allow for a project to be run through a pilot process before being put out on the market.
- The Polyco EPR Scheme includes budget to research alternatives and / or end-use markets for difficult to recycle materials.

⁵ The dti Black Industrialists Scheme (BIS) programme guidelines.

- Development of a Design for a Circular Economy Guideline, which will be a collaborative effort across the value chain to ensure that all role-players and aspects are included into the specification decision making matrix.

5 Monitoring, Reporting & Evaluation

5.1 Financial Reporting

Polyco will conduct internal biannual financial audits and appoint an independent financial auditor to undertake annual external audits of the financial records. The internal audit reports will be available to the department upon request and the external annual audit reports will be submitted to DFFE within 60 days of finalisation of the audit.

5.2 Performance Reporting

Polyco is also required to submit an interim performance report, reporting on the performance against the published targets in the Government Notice. The interim performance report must be submitted to the Department within four weeks of the conclusion of the 6 months period, namely January to June of the calendar year, and must include the following information as a minimum:

- i. Unaudited interim performance against the published targets.
- ii. Unaudited breakdown of the allocation of the EPR fee.
- iii. Unaudited performance on all finance matters

Annual performance audit reports will be submitted to DFFE within 3 months of the conclusion of the year end, which is regarded as being 31 December.

The annual performance reports must include the following information as a minimum:

- i. Performance against the published targets;
- ii. Breakdown of the allocation of the extended producer responsibility fee;
- iii. Performance on all finance matters;
- iv. Governance report; and
- v. Number of jobs created.



Figure 12: Summary of financial and performance reporting requirements

5.3 South African Waste Information System Reporting

Polyco will record and report, as a minimum on an annual basis, to the South African Waste Information System (SAWIS) the following information in terms of identified products for members of the Polyco:

- i. placed on the market
- ii. collected
- iii. diverted away from landfill (recycled, reused, recovered, refurbished)
- iv. exported
- v. landfilled
- vi. number of jobs created

This information will be captured on the database that Polyco is developing, however DFFE is updating the SAWIS system and therefore it is expected that there will be consultation between Government, Industry and the PRO's before it is finalized. It will be critical that the final system is workshopped in a collaborative manner to ensure the outcome meets everyone's needs but is also user friendly.

5.4 Data Collection

Polyco is developing a database that will be used to collect the data as required by the Regulations. The database will be managed by outsourced to remain independent, and data will be consolidated to provide aggregated results.

Budget will be allocated on an annual basis to ensure that continued development of the database can be undertaken so that it can be updated to meet the needs of Polyco's EPR Scheme's reporting requirements.

The database will allow reporting on the following instruments to complement the scheme:

- minimum recycled content standards;
- secondary materials utilisation rate requirements; and
- recovery rates.

6 Financial Plan

6.1 EPR Fee

All producers, converters, brand owners that manufacture or generate polyolefin packaging materials will need to be members of an EPR Scheme from 5 November 2021. Producers will also be required to register with DFFE by 5 November 2021.

Polyco has developed fees for the identified plastic packaging products (in terms of GN 400 of 5 May 2021, Section 4⁶) as listed in **Table 2**.

Table 2: Polyco's EPR Fees as per the Identified Products

(b) Plastic packaging (both printed and unprinted):	Proposed Fee per Tonne
(i) Type 2, 4, 5 Polyolefin rigid ;	R250
2 – HDPE	
4 – LDPE	
5 - PP	
(ii) Type 2, 4, 5 Polyolefin flexible ;	R450
2 – HDPE	

⁶ It is important to note that Plastic Carrier Bags and Plastic Flat Bags are excluded from these regulations.

(b) Plastic packaging (both printed and unprinted):	Proposed Fee per Tonne
4 – LL/LDPE	
5 - PP	
(iii) Polyethylene Terephthalate (PET) rigid;	R400
(iv) Polyethylene Terephthalate (PET) flexible/ strapping;	R400
(v) Polystyrene (including expanded polystyrene protective packaging and high impact polystyrene packaging);	R250
(vi) Polyvinyl Chloride (PVC) (Resin Code 3);*	Rigid - R250 and Flexibles – R250
(vii) Vinyls (rigid and flexible)*; and	Rigid - R250 and Flexibles - R250
(viii) Other (multilayer plastic packaging including those with resin code 7).	R750
(d) Single use products⁷:	
(i) Films/Flexibles: agricultural mulch films, garbage bags, pallet wrap;	As per polymer type listed above
(ii) Injection moulded products: cups, tubs, cutlery (knives, forks, and spoons), stirrers;	
(iii) Blow moulded products: bottles, containers, jars;	
(iv) Extruded products: straws, sheets; and	
(v) Thermoformed products: trays, punnets, cups, various packaging.	

* Polyco regard these as the same polymer type and refer to them as “Vinyls”



Figure 13: Polyco’s EPR Fees illustrated per EPR Scheme

6.1.1 EPR Fee Determination

The Regulations state that a PRO that establishes and implements an EPR scheme must, together with its members, determine the proposed EPR fee and apply the EPR fee proportionally to all members based on the identified products placed on the market.

⁷ The definition of single-use items is deemed problematic when looking at the legislated targets as it is inclusive of all packaging materials. Polyco will engage with DFFE to identify the ‘problematic’ single use items and develop a process to address these.

Polyco has undertaken extensive engagement with the value chain in the development of the EPR Scheme and in determining the EPR Fees. The Fees have been made publicly available since October 2021 and has been approved by the existing board and members.

Polyco will ensure that the EPR Fee is publicly available on their website, once the DFFE has reviewed the fee and provided approval.

6.1.2 EPR Fee Calculation

Polyco's EPR Fees have been developed taking into consideration the EPR Regulations as explained in **Table 3** Error! Reference source not found..

The EPR Regulations require that the EPR Fee be based on nett cost recovery including a differentiated rate per item category, of each product or class of product, which must be paid by a producer to fund extended producer responsibility schemes and be dependent on the criteria **(a)- (i)**, listed in **Table 3**.

Table 3: How Polyco has met the requirements of Section 7 of the EPR regulations in developing their EPR fee

GN 400 of 5 May 2021 Section 7 (3) Requirements	How this was addressed by Polyco in the development of the EPR Fees
a) weight of product	The EPR Fee is charged per tonne of virgin or recycled polymer used for packaging and placed on the market.
b) ease of recyclability	Limited recycling opportunities for multilayer and vinyls exist currently and need to be developed, therefore these fees are considerably higher. There will be investment required in R&D specifically to address and grow recycling opportunities.
c) current demand for the material for recycling purposes	This is also tied to ease of recyclability and lack of market in the case of multilayer materials and this has therefore been factored into the Fee.
d) costs for establishing a collection system for the identified products	Polyco will not develop a separate collection system but will work within existing collection mechanisms, providing support to improve and upgrade these e.g. support and financial assistance to Municipalities implementing Separation at Source programmes, rolling Packa-Ching out in areas, support to Buy-back centres and investing in MRF infrastructure as well as developing Hubs.
e) collection, transport, storage and treatment costs for separately collected waste;	The fee factors in the full logistics of these costs and specifically to the point of collection and sorting where the budget spend is combined for all materials. This will include the development of Hubs.
f) administrative costs	Polyco has calculated the administrative costs of the Scheme and it will not exceed the legislated percentages. This will be reported on, on an annual basis to members and DFFE.
g) costs for public communication and awareness raising (on waste prevention, litter reduction, separate collection, etc.)	This has been budgeted for by Polyco as a wide-spread programme across all the identified products. The budget also includes specific support to Municipalities if required as part of the Municipal Fund.
h) costs for the appropriate surveillance of the system (including auditing)	This has been included as an administrative cost.
i) less revenues from recycled material sales	This has been factored in terms of ease of recyclability and market for in terms of demand for material. Where there is no market a higher EPR fee has been placed

Polyco is required to submit the proposed EPR fee electronically to the Minister, including the motivation, justification and any other relevant information. The Minister must then obtain

concurrence on the proposed EPR Fee from the Minister responsible for finance within 60 days of submission.

6.1.3 Fee Collection

Polyco currently charges the fee at resin purchase level (i.e. converter) in the value chain for current members. This will continue for new members, however in certain cases member preference will be considered. Importers of packaging and completed products with packaging will pay the EPR Fee based on a monthly declaration of tonnages imported packaging.

The database which is being developed, will allow members to submit their tonnages and track their account information such as invoices as well as rebates that may be due.

The intention of the EPR Regulations and payment of the Fee is to address packaging placed on the South African market. Therefore, where applicable, members will be paid a rebate on exported packaging for which an EPR fee was paid on the purchased resin. This will be managed in consideration of member requirements and preference.

6.2 Budget

A summary of the budget is provided in this section with a more detailed budget included in **Annexure C. Table 4** provides Polyco's proposed budget in terms of Administrative costs and Operational costs from the implementation of projects to collect and recycle identified projects. The Operational costs also include some marketing costs for education and awareness campaigns. This budget is focussed on the implementation of collection projects in the first year, in parallel to investment in establishing recycling infrastructure and businesses in terms of new capacity and growth or support to existing operations. The tonnages recycled is expected to increase over the 5 years as capacity increases to meet the need in terms of tonnages collected.

Table 4: Polyco's proposed budget

POLYCO PROPOSED BUDGET	Year 1 Budget
ADMINISTRATIVE BUDGET	
Association Memberships	R 141 400.00
General Office Expenses incl Audit Fees and IT	R 4 000 000.00
Management Consultancy / independent research /Fees	R 500 000.00
Salaries	R 18 000 000.00
Administrative Cost subtotal	R 22 641 400.00
OPERATIONAL BUDGET	
Infrastructure	R 40 832 500.00
Innovation & End use development	R 21 750 000.00
Education & Awareness	R 9 344 125.00
Collaboration	R 18 570 000.00
Project Implementation Costs subtotal	R 90 496 625.00
GRAND TOTAL	R 113 138 025.00

Annexure C provides more detail for the Operational Budget component in terms of the project/sector.

In terms of the EPR Regulations administration cost of Polyco's EPR scheme will be limited to the following:

- i. Salaries of the PRO staff.
- ii. Overhead costs (utilities and rent); and
- iii. Information Technology and Systems.

- iv. The administration cost of the EPR scheme must not exceed:
- a. 20% of the revenue collected in calendar year 1 of implementation;

Polyco has calculated the administrative costs of the Scheme and it will not exceed the legislated percentages. This will be reported on, on an annual basis to members and DFFE.

Polyco's expected income from EPR fees is provided in **Table 5**. The Collection and Recycling volumes are expected to grow substantially to meet the targets from the investment in Year 1.

Table 5: Polyco's expected Income from EPR fees

INCOME	EPR fee	Estimated Membership Tonnage*	Estimated Yr 1 EPR Fee Income	Collection Targets (tons)	Recycling Targets (tons)
Rig	250	99 584	R 24 896 025.00	54 771	38 838
Flex	450	122 831	R 55 273 995.00	71 242	54 046
ML	750	18 000	R 13 500 000.00	2 700	1 980
PET	400	17 000	R 6 800 000.00	1 530	1 360
Polystyrene	250	32 000	R8 000 000.00	7 000	6 400
Vinyls	250	12 000	R 3 000 000	720	600
Total		301 415	R 108 470 020.00	137 963	103 224

**Note: this includes local market only as imported tonnages are unknown at this stage*

Figure 14 illustrates the split of the project implementation budget across the various material. This has been split according to new capacity growth vs maintenance of existing capacity and providing support in **Figure 15**. **Figure 16** illustrates the project Implementation budget split according to activities in terms of the Waste Hierarchy and **Figure 17** provides the same split in terms of collection, recycling and cross-cutting project spend. These are included to provide an indication of focus areas and the planned investment to meet the targets as well as the obligation of Polyco as a PRO in terms of the Regulations.

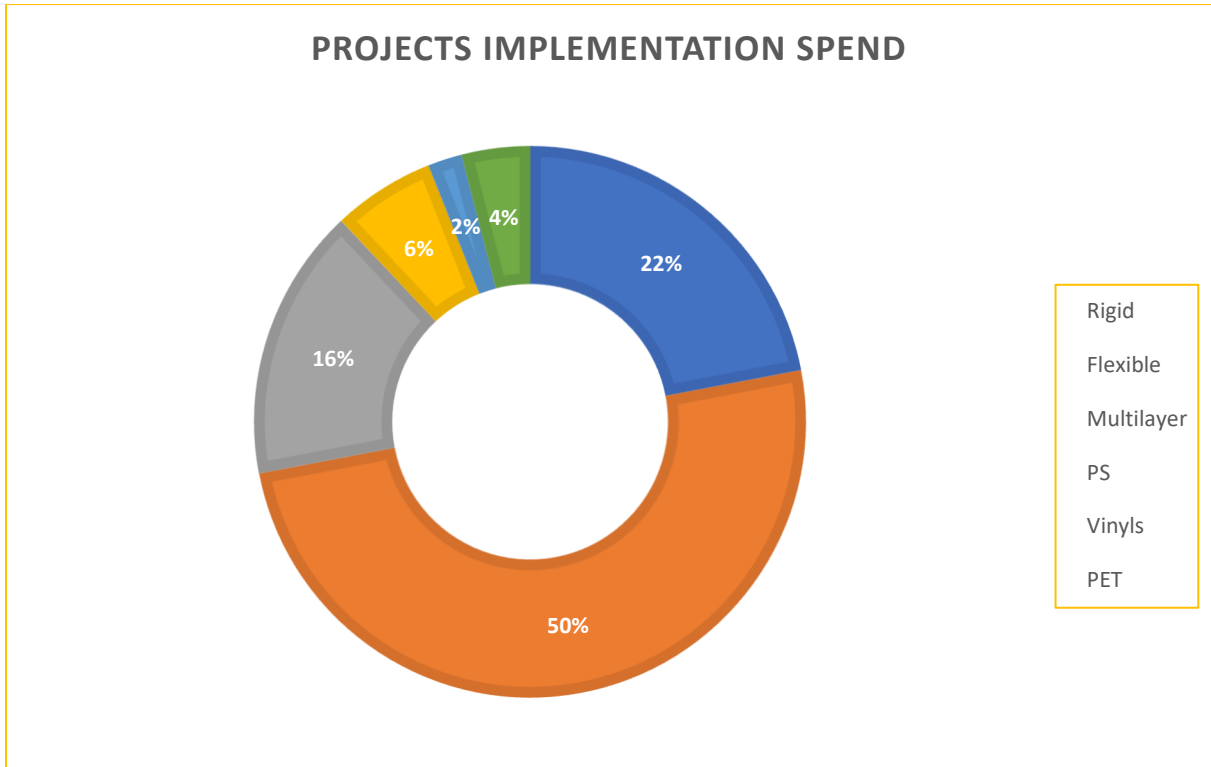


Figure 14: Percentage of project implementation spend across the materials

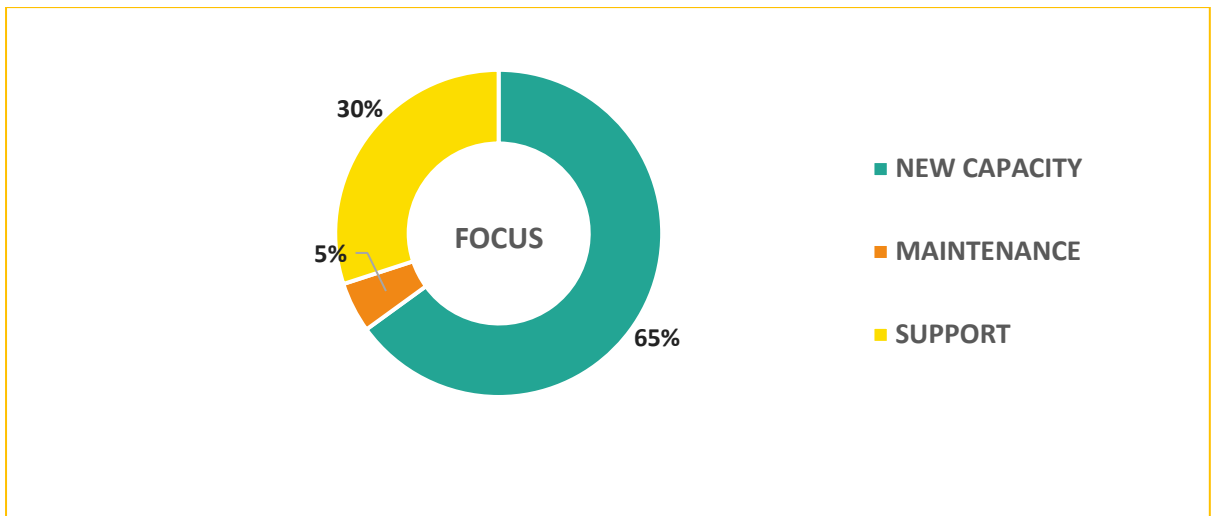


Figure 15: Project implementation budget split in terms of investment in new capacity vs maintenance vs support

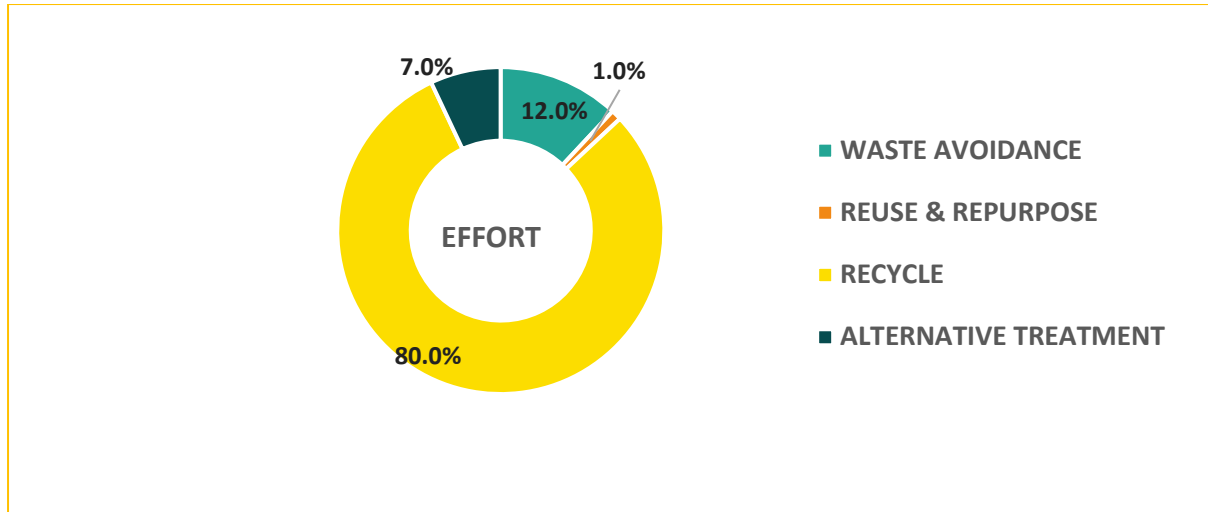


Figure 16: Project Implementation budget split according to activities in terms of the Waste Hierarchy

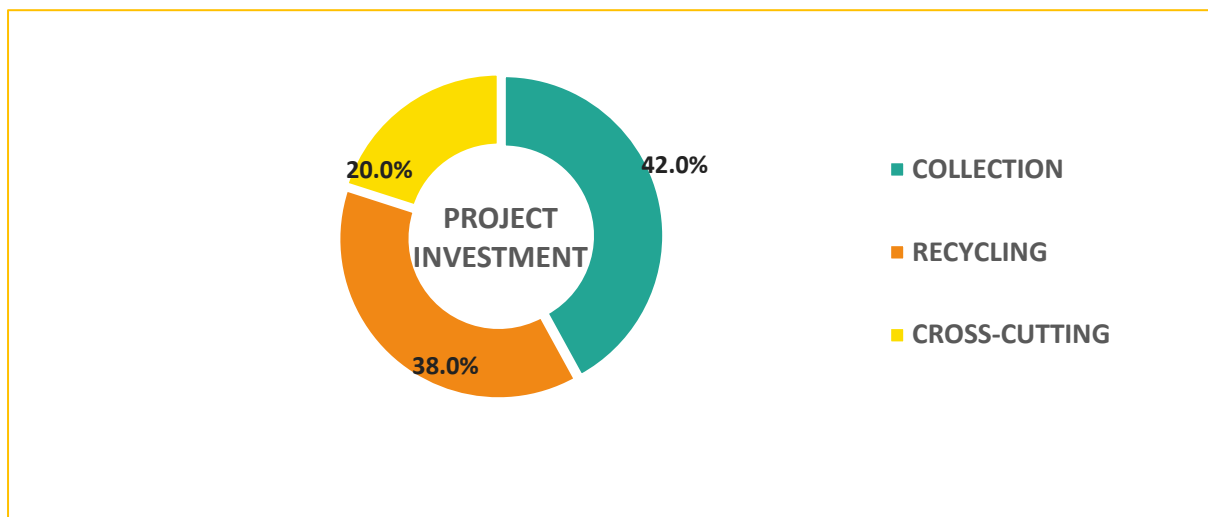


Figure 17: Project implementation budget split in terms of collection, recycling and cross-cutting project spend.

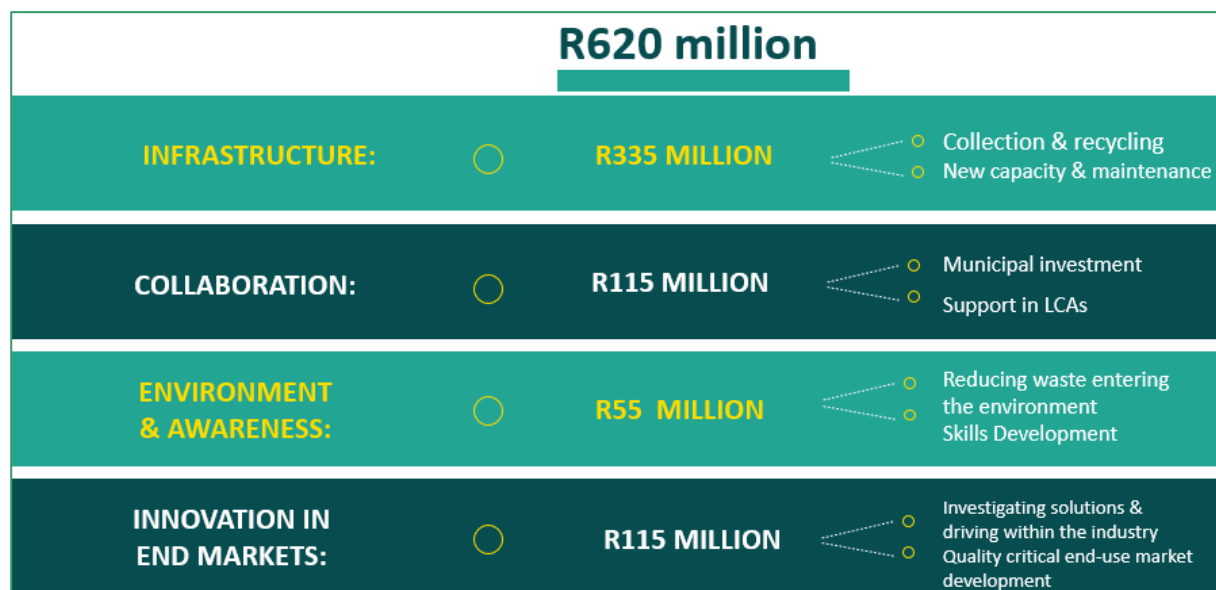


Figure 18: Polyco's areas of investment over 5 years in terms of the Four Pillars

7 Summary of Polyco's EPR Scheme

The various reporting requirements, structures, frequencies and timeframes planned for Polyco, as the PRO, and Polyco's members are summarised in **Table 6**.

Table 6: Summary of reporting roles and responsibilities

Obligated Party	Type of Reporting	Reporting To & Timeframe	Information/Content
Obligations of Polyco as per the Section 18 Notice			
Polyco	Registration with the DFFE	DFFE (within 6 months of the publication of the EPR Regulations)	Complete a prescribed form from the DFFE.
Polyco	Internal biannual financial audit report	DFFE (upon request)	An audit of the financial records of Polyco. The internal biannual audit reports must be made available to the external auditor.
Polyco	External annual financial audit report	DFFE (within 60 days after finalisation of the audit)	<ul style="list-style-type: none"> An audit of the financial records of Polyco. Include the internal biannual audit findings in the annual audit report.
Polyco	Waste data records	South African Waste Information system (SAWIS).	<p>The following must be reported to SAWIS: quantities of the identified products that are:</p> <ul style="list-style-type: none"> placed on the market by members of the PRO collected diverted away from landfill (recycled, reused, recovered, refurbished) exported landfilled number of jobs created
Polyco	EPR Fee motivation	DFFE	The proposed EPR fee must be submitted electronically to the Minister, including the motivation, justification and any other relevant information.
Polyco	Annual financial plan and budget	DFFE (within 60 days of implementation for the first year of implementation or within 60 days of implementation, in the event that implementation occurs after 30 June in the first year, for the following year and by 30 November for the following year).	<p>The annual financial plan and annual budget must include, as a minimum, the following information:</p> <ul style="list-style-type: none"> Estimated revenue (EPR fees) from the various product streams. The manner in which the contributions (EPR fees) are calculated and assessed. The total amount of the contributions (EPR fees) that cover the nett cost of the obligations incumbent on the PRO applying for registration. The revenue collection method for each product stream. The conditions and procedures for revising the contributions to reflect changes in the obligations incumbent on the registered producer under this Regulations; and The methodology for allocating and disbursing revenue for implementing the EPR scheme amongst the collection, waste minimisation, recycling, waste reuse and any other relevant component of the EPR scheme.

Obligated Party	Type of Reporting	Reporting To & Timeframe	Information/Content
Polyco	Interim performance report	DFFE (must be submitted within four weeks of the conclusion of the 6 months period namely January to June of the calendar year).	the interim performance report must include the following but is not limited to: <ul style="list-style-type: none"> Unaudited interim performance against the published targets. Unaudited breakdown of the allocation of the EPR fee. Unaudited performance on all finance matters
Polyco	Annual external performance audit report	DFFE (within 3 months of the conclusion of the year end, which is on 31 December)	The annual external performance audit report must containing the following minimum requirements: <ul style="list-style-type: none"> Performance against the published targets; Breakdown of the allocation of the extended producer responsibility fee; Performance on all finance matters; Governance report; and Number of jobs created.
Additional obligations			
Brand-owners Converters Producers	<ul style="list-style-type: none"> Registration with DFFE Monthly declaration Payment of EPR Fee 	Polyco (Locally produced packaging)	Amount of packaging placed on the market.
Polyco	<ul style="list-style-type: none"> Monthly invoice 	<ul style="list-style-type: none"> Brand-owners Converters Producers 	EPR Fee based on monthly declaration
Additional obligations for parties that are also importers			
Retailers / Brand-owners	<ul style="list-style-type: none"> Registration Monthly declaration 	<ul style="list-style-type: none"> Registration with DFFE Declaration to Polyco 	Amount of packaging imported – filled and unfilled (this includes the packaging around imported goods and house brands)
Converters	<ul style="list-style-type: none"> Registration Monthly declaration 	<ul style="list-style-type: none"> Registration with DFFE Declaration to Polyco 	Amount of packaging imported – filled and unfilled
Polyco	<ul style="list-style-type: none"> Invoice (monthly) 	<ul style="list-style-type: none"> Importers Converters Retailers Brand Owners 	EPR Fee based on monthly declaration of imported packaging
Governance Structures			
Polyco	Quarterly EPR Plan Meetings	Polyco Board Packaging/PRO Alliance	<ul style="list-style-type: none"> Data collected (volumes) Registrations Financial reporting Implementation progress Recycling and collection EPR Targets
Polyco	Annual Report	All stakeholders and interested parties including the public	<ul style="list-style-type: none"> Third party audited financial statements Annual EPR Targets

ANNEXURE A: LIST OF EXISTING MEMBERS

EXISTING MEMBERS BY COMPANY NAME

AFRICAN STAR PAC
BERRY ASTRAPAK
CIBAPAC
COLGATE PALMOLIVE
CLICKS GROUP LIMITED
CLOVER SA PTY LTD
CUMULUS
DANONE
DANONE
GOLDPACK
HUHTAMAKI SA (PTY) LTD
ISO MOULDERS
ISOWALL
KEALMECA
L'OREAL
MPACT
MULTI-CUP SOLUTIONS
PAKEKS
PICK N PAY
PLASLANTIC (PTY) LTD
POLYOAK PACKAGING
STRAND GROUP DEVELOPMENTS (PTY) LTD / MAIN PAK
TECHNOPOL
TWINSAVER
EPSASA
PLASTICS SA
PLASTIX 911
PACKAGING SA
PIONEER FOODS
ENVIROLITE C.T.
ENVIROLITE JHB
PRINTING SA
SAPRO
ENVIROLITE C.T.
ENVIROLITE JHB
MPACT
CIBAPAC
COLGATE PALMOLIVE PTY LTD

ANNEXURE B: ORGANISATIONS REGISTERED FOR MEMBERSHIP UPON EPR FEE
APPROVAL
(AS PER 5 NOVEMBER 2021)

Brand Owners

A Division Of Libstar Operations (Pty), Ltd.	Medallion Mushrooms
Amaro Foods	Wallchem Manufacturing
Ambassador Foods A Division Of Libstar Operations	Tractorland
Amway South Africa (PTY)LYD	Tuffy Brands
Avon J Justine	Abbott Laboratories
Belgotex	Douglasdale Dairy
Bos Brands	Gihwala's Eastern Gem Products
ButlerFoods	transpaco
Cecil Vinegar Works	Valemount Trading
Chemlog	Alveta Brands
Clicks	Consol Glass
Colgate	Sea Harvest
Denny Mushrooms	Rolfes Water
Dolce Vita Ice Cream	Cerebos Ltd
Fairfield Dairy	Wedgewood Nougat
Forte Plastics	Arc Charcoal (Suhel)
Frozen Drinks Africa	Hill's Pet Nutrition South Africa
Indigo Brands	Abe Construction Chemicals Proprietary
Lactalis SA	Afrique Pet Food
L'Oreal South Africa Manufacturing	Concord Group
Marcel's Gourmet Frozen Yoghurt	Crede Oils
Meze Foods Pvt Ltd	Deojay Petroleum Kzn
Mr Price Group	Fairview Cheese Company Paarl
Nestle	Massmart Holdings Limited
Pick N Pay	Protea Chemicals A Division Of Omnia Group
Premier	Royal Salt
Proctor And Gamble South Africa	Sauce King Cc
Red Bull South Africa	Model Products Distributers
Retailer Brands	Biscopplus
Roulou	Elgin Free Range Chickens
Sani Touch	Global Grinders
Sasol South Africa Ltd.	Kyron Laboratories
Soapreme Clean Cc	Ladismith Cheese Company
Spring Meadow Dairy Farm	Matjiesfontein Water
Tereco	Montagu Foods, Ado Libstar Operations
Tetbury Dairy	Rcl Group Services
Tiger Consumer Brands	Siqalo Foods (Pty) Limited
Twinsaver Group	Strong Chains Wholesalers Cc
Umatie	Makhamisa Foods
Union-Swiss	ABE Construction Chemicals Proprietary Limited
Woodlands Dairy	Acorn Products Pty Limited
Labelton	ACTI-CHEM SA
Darling Romery	Acu-Sol
Deli Spices	Afoodable
Lancewood, A Division Of Libstar Operations	Albion Chemical Company
	All-Chem Industries

Turner Plastics
Dargle Water
Truda Foods
Hirsuscans Cc
Ica Laboratories Cc
B Braun Medical (Pty)Ltd
Bcl Medical Waste
Beiersdorf Consumer Products
BM Food Manufacturer's
Boardman Brothers
Branson Chemicals
British American Tobacco South Africa
Brother Bees Honey
Canon South Africa
Cape Aqua
Chill Beverages International
Clover SA
Coca Cola Peninsula Beverage
Corteva Agriscience (Agriculture (Maize Seed
Developers
Dairy Exchange
Bioblend SA
Deli Spices Mane Group
Dewfresh
DGB
Dirla Jerseys
Distell Limited
Diversey South Africa
DUMA CHEMICALS
Dynamic Brands
A Quelle

Elizabeth Arden (South Africa)
Emblem Paints Manufactures
Enterprise Ethanol
Excellent Holdings
Exclusive Mineral Water
Baking Division (Milling & Bakeries)
Formulage
Freddy Hirsch
Dairymaid
Gatti Ice Cream
Gauteng Dairy

Goldkeys International
H & M Casings
Heineken South Africa (RF)
Highveld Mushrooms

Suflenut Chocolate
Almina Trading (Suflenut Chocolate)
Alveta Brands
Amka Products
Anca Foods
AR Africa
Kirtech
Kromco
Ladismith Poeier Maatskappy
Laser Chemicals.
Rialto A Division Of Libstar Operations
Montagu Foods A Division Of Libstar Operations
Linaqua Water
Magaliesberg Citrus Company
Mamas Sauce
Matjiesfontein Water
Meadow Mushrooms
Medichem.

Millennium Foods
Minnies Food Enterprise
Moorddrift Dairy (Pty)ltd
National Pride
Nomu Brands
Nutro Chem
Oaksprings Dairy Partnership
Oasis Water
Organic Aloe
Orlichem
Oro Agri SA
O'yeah Sweets (Sweet Manufacturer)
Trading In Agricultural Seed And Related
Products
Permo seal
Dr. Oetker south Africa
Aspen Pharmacare
Polar Ice Cream Company
Powafix
Prime Cleaning Suppliers
Steri Tech
Quantum Foods, T/A Nova Feeds, Malmesbury
Chicken And Epol
Rcl Foods Consumer (Chicken And Epol)
Groceries (Culinary, Pet Foods, Pies &
Beverages)
Revlon
Roastwell Coffees
Rolfes Agri

Huguenot Valley Natural Spring Water	Rolfes Chemicals
Illovo Sugar (South Africa)	Bushvalley Chickens
In2food Group	Sabax Customer Services
Johnson & Johnson	Saint Gobain Construction Products South Africa
Joya Brands	SALAD FARM
Juice Direct	Sensory FX
Jumbo Brands	Silver Emerald Trading 7
K2014144230 t/a Annique Health and Beauty	Simba
Kaytech	SOGA Organic
Kimberly-Clark of South Africa	Southern Oil
Kingsley Beverage	Southern Right Foods t/a Walker Bay Spice
The South African Breweries	Spanjaard Ltd
Hygiene & Farm Technology	Sparkle Products Cc
Transem	Wynn Oil South Africa
Tupperware Southern Africa	Zylem
Universal Paper and Plastics (BOPP)	Victor Soap Industries.

Importers

Plastic Packaging	Hewlett Packard South Africa (Proprietary) Limited
Lp Agencies	I Nova Pharmaceuticals
Proslit CC	International Trimmings and Labels SA
Gerber Fresh	It's Packed
Traidcor	Medical Devices
Fair Cape Dairies	KEALMECA PRODUCTS
Packadvance Innovative Technology	Kt Wash Detergents
Herbalife International South Africa	MELBRO WHOLESALE
Bidvest Paperplus	Mundipharma(Pty)Ltd
Skin Chem	NNZ the packaging network
Hul International	Nutec Digital Ink
Kealmeca Products	RFG Foods
Ferrero South Africa	Rolfes Leather
Plastomark	Taigan International
Bonpak Cape Town	Taigan M Stretch
S A Greetings	Ultrapolymers
Sprint Packaging	Famous Brands Coffee Company
Importer Of Dairy Products	Ferrero Ithemba RSA
Goldpack	

Packaging Producers

Alpla	Labelling
Apac	Leader Pak
As Above	Master Plastics
Basman Plastics CC	Master Plastics Limited
Bellpak	Mpack Limited
Berry Astrapak Proprietary Limited	N/A
Bowler Plastics Proprietary Limited	Nampak Limited
Classic Medical Mouldings	Novaflex
Clomark	Nurscon Flexibles
Colpak	Pak Plastics

Constantia Afripack	Ping Seng Plastics
Convertacor(Pty)Ltd	Polyoak Packaging Proprietary Limited
Corshelf 1000	Premier Plastics
Dbc Plastics	Proficient Packaging
Detpak Sa	Psa Plastics
East Rand Plastics Proprietary Limited	Total Plastics
Evotec	Transpaco Flexibles Wynberg
Extruform Proprietary Limited	Volume Injection Products (VIP) Plastics
First Impression Labels	Yucca Packaging
Huhtamaki South Africa Proprietary Limited	Zibo Containers
Ipackchem	Colwick Cc
Geiger & Klotzbucher	EC Bag
Cumulus Insulation	Echa Plastic Products
Imvusa Trading 541 Cc (Imvusa Plastics)	Environ Skincare
Ciba Packaging	Exactocraft
Sandplast Injection Moulding	Extruform
Roga Plastics	Emas T/A Plastic Bubbles
AL Plastic Bags cc	Flexible Packages Convertors
Patagon Flex Plastic	Flexothene Plastics PTY (LTD)
Vitatex	Flexotuff Plastics
Pharmaceutical Blow Moulding Specialists	Fluidra Waterlinx
Hickley Mould & Tool	Fontana Manufacturers
Chespak	Gundle Plastics Group
Tropic Plastic & Packaging Industry	Herber Plastic
Quality Manufacturers	Hersol Manufacturing Laboratories
Airwrap Cc	Hirt And Carter (South Africa)
Universal Labels &Packaging	Huhtamaki Flexible Packaging South Africa
Mch Packaging Cc	Innovation Shrink And Wrap
Cape Flexible Converters	Insimbi Plastics
Canway Supply Chain Solutions	Interstellar Plastics
Rnk Plastics Cc	Isolite Cornice Moulding Trading As Hebcooler Manufacturing
Adwill Plastics	Justagz And Labels Cc
E Thekwini Plastic Manufacturers Cc	Karob Plastics
Allmy Plastics	Kh Film Packaging
Apex Cordset Technologies	Kolor World Carton & Print
Dominion Plastic Industries Cc	Packaging World
Fhame Foods (Supreme Foods Cc)	Makhro Home and Garden
Polyplastix	Milkman's Choice
Redfern Long Run Labels	Mykas Plastics Cc
Rob And Martin Manufacturing	New Age Plastics
Fullimput 1540	Nuclear Packaging
ACTION PLASTICS CC	Nylopack (Pty)Ltd
ADVANCE PLASTICS CC	Plantplast CC T/A blowplas
African Star Pac	PlasLantic
Afriplasart	Plastic Accent
Bidvest Paperplus	Polywrap
Amcor Flexibles South Africa	Preferred Packaging & Plastics PTY

Avon Packaging	Primal Plastics CC
Avon Plastics	Prime Plus Packaging.
Ayber Bottle Cc	PRIMETEK PRODUCTS
Bag Babe	Schaldor Plastics Cc
Blinex Plastic	Sealed Air Africa
Bliss Brands	Sizanani Plastics
Brenner Brands (PTY)LTD	Skye Plastics
Butta Nutt (Pty)Ltd	Sondor Industries
Castelco cc	Strand Group Developments
CCL Label South Africa	Stripform Packaging
Chet Chemicals Division Of Libstar Operations	Super Thene Films
Libstar Operations	Technovaa
Coral Flex	Transpaco Flexibles Mpumalanga
Ctp Flexibles	Transpaco Specialised Films
Drv Plastics	VinBag
Dynamic Plastic Packaging	Wang On Fibres
Welpac	Zilon Trading Bulk Bag Manufacturers
Wilsam	

Retailers

Anz Chemicals (Cape Town) Cc	CATERCORP CO PACKERS
Far End Dairy (Pty)Ltd	Chemstrat Industrial Cc
Giant Recycling And Waste Management	Libstar Operations
New Clicks South Africa	C&S Suppliers
Woolworths	Oasis Water
	GLENCOE GREEN T/A OASIS WATER
Triple A Polymers	HOEDSPRUIT
Aquifer Pty	Handymans
Chemzone Cc	HPT437CC t/a B-KLEEN
Ailsa Paper	Kylifield
H & M Packaging	Oasis Water Mthatha (Fort Gale)
Amantsele Manufacture	Fresh Choice
Africqua	Sentraal-Suid Kooperasie Beperk
Exeltrade Cc T/A Flexitrade	Shoprite Holdings
Clishau Sales Cc	Siemstech Packaging Solutions
Akay's Auto Spares	Slush Puppie South Africa
Anzel Trading 1060	Techniblend cc
I Clean	The Oil People
Aa Spice	Aquifer
ABSOLUTE PETS	Calitzdorp Wynkelder
Africqua	Camp Roadhouse
Anzel Trading 1060CC	

ANNEXURE C: EPR SCHEME PROJECT BUDGET

Project/Sector Focus	Yr 1 -2022
SMME Collector to transporter Expansion	R 2 800 000.00
Collector Entrepreneurs – Packa-Ching	R 1 700 000.00
Packa-Ching Schools programme	R 1 000 000.00
Collector to granulator	R 4 270 000.00
Granulator to small recycler	R 5 300 000.00
Small recycler to larger recycler	R 7 900 000.00
Plank convertor rural / metro	R 4 900 000.00
Virgin substitution	R 15 500 000.00
Integration of informal sector	R 4 500 000.00
Formal collectors	R 2 000 000.00
Development and implementation of quality standards for recyclate	R 1 000 000.00
R&D linked projects	R 6 532 500.00
Project innovation & incubation e.g. Khaya Khanya, Hubs, Secondary Market Growth etc	R 7 250 000.00
Environmental projects	R 3 100 000.00
Membership of and contribution to Packaging Alliance projects	R 3 000 000.00
Facilitating and supporting Separation at Source (Municipal Initiative Fund, S@S Collaboration)	R 8 900 000.00
General Marketing and Communication	R 4 844 125.00
Data Management	R 5 000 000.00
Bursaries, training & educational fund	R 1 000 000.00
TOTAL - Project Implementation	R 90 496 625.00