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## Welcome

Welcome to Polyco's Annual Review for the year 2023. Polyco PRO NPC is a registered producer responsibility organisation (PRO) that manages an extended producer responsibility (EPR) scheme focusing on plastic packaging in South Africa.

We aim to grow the plastic packaging collection and recycling industry and therefore make used plastic packaging a valuable resource that works for our economy, with the ultimate outcome of ending plastic pollution in the environment. Polyco does this by investing in recycling infrastructure and initiatives in

South Africa and by educating both the industry and consumers about recycling. This is all underpinned by a company philosophy of cooperation and collaborating with multiple stakeholders to ensure that our efforts to achieve a sustainable environment and future for South Africa are strengthened.

Our mission is to promote sustainable compliance in line with EPR regulations by investing in the plastic packaging value chain to implement global best practices in Southern Africa. We aim to be the best plastic packaging PRO in Southern Africa.

We work with many stakeholders who share our values of care for the environment and society, collaboration, communication, innovation and excellence, and we would like to extend our gratitude to them for collaborating with us to make an impact.

Polyco's member organisations pay an EPR fee for every tonne of identified product placed on to the market. In turn, Polyco ensures sustainable compliance in line with EPR regulations by investing in the formal and informal South African plastic packaging recycling value chain.

Our investments are underpinned by a philosophy of collaboration and transformation – promoting sustainable economic, environmental and societal development for all.



# **Our investment** portfolios include:

- Infrastructure & Project Investments
- **Waste Reclaimer Integration**
- Municipal Collaboration
- **Leady Service :** Education & Awareness
- Stakeholder Support

### Since the inception of Polyco's EPR scheme up until the end of 2023:

### **→ R114 MILLION**

was invested in the South African plastic recycling sector

Achieving a capacity growth of

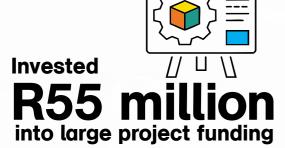
**★192 000 TONNES** 

Through the support of

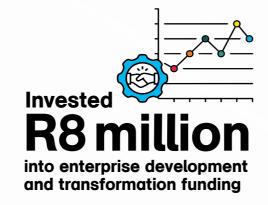
**★** 58 PROJECT **PARTNERS** 



## **Funding Impact**











## **Environmental Achievements**







## **Innovation and** Collaboration



**Launched the Design for Recycling online platform** 





## **Partnerships**

**South African Plastics Recycling Organisation** (SAPRO), the World Wide Fund for Nature (WWF) and Designed For Earth

## Polyco's Impact: **A Year of Achievements**



Supported more than 600 member companies

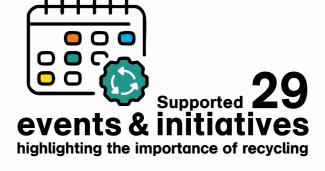
## **Community and Consumer Outreach**





Million+ recycling campaign





# Polyco's EPR Scheme

Polyco's EPR scheme, supported by more than 600 member companies, invested R92 million into the plastic recycling industry in 2023.

Mandatory EPR was implemented in South Africa in 2021. As a proactive response to the growing concern around waste and its impact on society and the environment, the Department of Forestry, Fisheries and the Environment (DFFE) published the final section 18 EPR regulations for the paper and packaging industry, electrical and electronic industry, and lighting industry in Government Gazette 44539 on 5 May 2021. This new legislation officially came into effect on 5 November 2021.

It legally mandated producers to demonstrate their EPR by achieving published legislated targets. This could be done by either joining an existing PRO that manages an approved EPR scheme, forming a new PRO or developing an independent EPR scheme that manages products at end of life.

Instead of supporting the outdated linear approach of producing, using and discarding valuable materials such as plastic, paper, glass and metals, the focus is now on developing circular economies within South Africa. The value of used packaging is therefore never lost, but is kept within the economy by ensuring that these materials are diverted from landfill to be reused and recycled into many new and useful materials.

The EPR regulations seek to extend the responsibility of producers of identified products (packaging), both financially and physically, to the management of packaging at end of life. All producers, converters and brand owners who manufacture or generate plastic

packaging and place more than 10 tonnes in the South African market are required to be members of an EPR scheme. PROs within the sector have therefore developed EPR schemes that focus on the diversion of identified products from landfill by increasing collection rates and growing recycling volumes in South Africa. PROs that manage these schemes are funded directly by the producers via the implementation of the mandatory EPR fee.

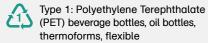
In order to grow the collection and recycling of plastic packaging in South Africa to the extent that it meets the legislated targets and to promote the responsible use and reuse of this plastic packaging, we recognise the strong need to collaborate with multiple stakeholders across the value chain, to invest in recycling innovation and recycling infrastructure in South Africa, and to educate both the industry and consumers about recycling.

Polyco's EPR scheme aims to stimulate the economy; focus on South Africa's urban as well as rural areas; include transformation in our investment strategy; and represent the interest of the full value chain, including brand owners. packaging converters, retailers, informal and formal collectors, recyclers and consumers.

Polyco registered as a PRO with the DFFE (Ref: 19/7/5/P/ PRO/20210517/002), as prescribed, within the six-month period of the publication of the EPR regulations in the Government Gazette. Polyco 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:







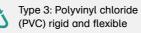




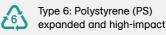


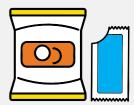














Other: (multilayer plastic packaging including those with resin code 7)

Polyco operates one EPR scheme but addresses the different packaging and materials as operationally separate units for rigids, flexibles, PET, PS, vinyls and multilayers.

The collection models and investment models. as well as education and awareness, are combined for the scheme. However, certain aspects, such as recycling investment, are approached in a way that addresses the targets of each specific material stream.

Polyco is an autonomous body that has been established by producers and is a registered not-for-profit company (NPC). It is managed by a board of directors consisting of representatives from producers and industry bodies, and adheres to the Companies Act 2008 (Act No. 71 of 2008) in terms of good corporate governance and management of conflicts of interest. Polyco's NPC registration number is 2011/009920/08.

### Polyco's EPR Scheme Fees

Polyco's EPR fee collection methodology focuses on collecting EPR fees from its members, who include packaging manufacturers and brand owners who manufacture or generate identified products. In accordance with the EPR regulations, Polyco has undertaken extensive engagement with the value chain in the development of the EPR scheme in determining the EPR fees.

The fees have been publicly available since October 2021 and have been approved by the existing board and members. Members have been engaged in working groups to discuss the cost of collection and recycling related to their material streams, interventions required and the need for the EPR fee to increase. where applicable. Principally, the EPR fee is based on the maturity of the market to collect and recycle the identified product.

Material	EPR Fee 2023
Polyolefin rigid	R250 per tonne
Polyolefin flexible	R450 per tonne
PET rigid	R400 per tonne
PET flexible/strapping	R400 per tonne
PS (expanded and high-impact)	R250 per tonne
PVC and vinyl (rigid and flexible)	R250 per tonne
Other (multilayer/multimaterial) R750 per tonne	

### Polyco's Target Achievement in 2023









R92 MILLION INVESTED

**→ FUNDING**105 PROJECTS

180 000 TONNES IN CAPACITY

11 000 **\*** NEW JOBS

Polyco invested R92 million into the plastic recycling industry in 2023, funding 105 projects, increasing tonnage capacity by more than 180 000 tonnes and supporting more than 11 000 new jobs.

Table 1 provides the collection and recycling targets of the identified packaging that Polyco's EPR scheme represents for its members.

Polyco has comfortably achieved the targets for polyolefin rigid/flexible and multilayer identified products.

However, we have had challenges with PET (all materials), PS and PVC. Polyco has made the achievement of these targets a key focus for 2024.

#### The following interventions are being implemented:

- **PET beverage:** We are pursuing new PET beverage recyclers to assist in achieving the targets. It will take time to implement a new recycler in the space, but we are working with a few partners on this.
- Engaging with the DFFE to consider how targets are achieved with multiple PROs in the space when markets don't allow multiple recyclers to compete.
  - It should be noted that with a dominant player in the space, our members' materials are still finding their way to a recycler. Polyco's EPR scheme will be engaging with the other PROs on how to better share the market.

- **PET thermoform:** Recyclers invested in 2023 are reporting lower figures than contracted for. We are working with these recyclers to improve their tonnages.
- **PET oil bottles and flexible:** These tonnages will be reported by our PET beverage and thermoform recycling partners as they come on board.
- **PS:** Investments are focusing on the densification of PS through ingot machines and the assessment of the costs to provide support for the logistics of moving the material.
- It should be noted that with a dominant player in the space, our members' materials are still finding their way to a recycler. Polyco's EPR scheme will be engaging with the other PROs on how to better share the market.
- **PVC:** There are sufficient recyclers in the market to process PVC packaging. The issues are separating the material from the current material stream, collecting the PVC packaging and getting it to the recycler. We are working on separate collection systems to be implemented at your retail partners.

Table 1: Polyco EPR Scheme: Target Achievement 2023

Identified Product	Collection Legislated Target	Collection Tonnes Achieved	Collection % Achieved	Recycling Legislated Target	Recycling Tonnes Achieved	Recycling % Achieved
Rigid polyolefin	57%	55 940.1	52.7%	42%	48 643.6	45.8%
Flexible polyolefin	60%	136 641.2	83.8%	46%	119 860.7	73.5%
Multilayer/ multimaterial	20%	6 209.3	29.8%	15%	5 913.6	28.3%
PET: beverage bottles	64%	7 461.3	15.7%	58%	7 038.9	14.8%
PET: oil bottles	13%	4.8	0.1%	12%	4.8	0.1%
PET: thermoform	13%	162.0	1.0%	12%	160.4	1.0%
PET: flexible	20%	1.2	0.04%	18%	1.2	0.0%
PS	27%	533.4	4.0%	25%	522.9	3.9%
Vinyl	6.5%	41.7	0.6%	5.5%	41.3	0.6%



2) Polyco's EPR Scheme | 11

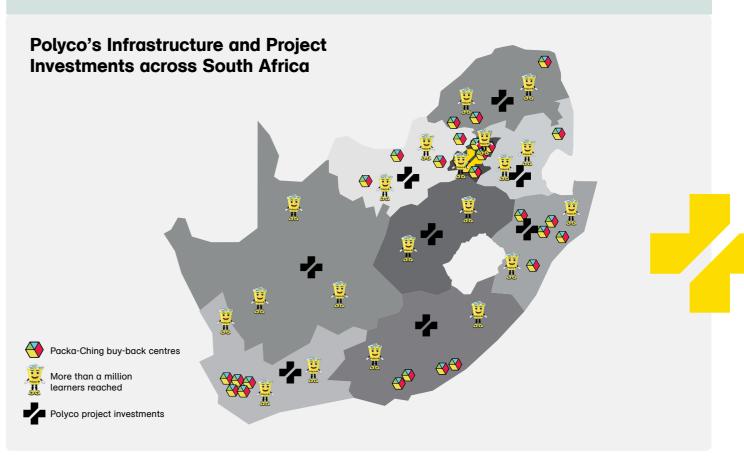


# **Polyco's Focus Areas**



Polyco invests in the following areas to grow the plastic recycling industry in South Africa:

- 3.1 Infrastructure and Project Investments
- 3.2 Waste Reclaimer Integration
- 3.3 Municipal Collaboration
- 3.4 Education and Awareness
- 3.5 Stakeholder Support



### **3.1 INFRASTRUCTURE AND PROJECT INVESTMENTS**

Polyco invests in projects of varying sizes and capabilities to grow the collection and recycling of plastic packaging across South Africa to the extent

that it meets the legislated targets and requirements. We invest in large infrastructure projects to achieve the legislated targets, as well as in transformation projects, which include Packa-Ching and enterprise development, to transform the industry and achieve the legislated requirements.

#### LARGE INFRASTRUCTURE INVESTMENTS

These are projects that increase plastic recycling in South Africa and increase innovation in the industry by expanding and/or modernising the companies' production capacities with innovative equipment and machinery. They are existing businesses that will directly assist the EPR scheme to achieve the legislated targets. Recycling companies are required

to be established and to demonstrate their ability to secure feedstock as well as offtake for their product.

Infrastructure projects are obtained by directly engaging collection and recycling businesses as well as putting out funding calls whereby companies can submit a funding application and proposal to Polyco for consideration. In 2023, Polyco invested in 12 capex projects totalling more than R55 million.

#### Companies funded in 2023 with large infrastructure investments were:



#### WasteWant

WasteWant, established in 2010 and based in Philippi Industria, Cape Town, operates the City of Cape Town's Kraaifontein Materials Recovery Facility (MRF). As a Broad-Based Black Economic Empowerment (B-BBEE) Level 1 company, WasteWant is dedicated to uplifting communities, managing waste and promoting recycling. In 2023, Polyco invested in a baler, granulator and wash plant to support the company's efforts.

#### **Third Element Holdings**



Third Element Holdings, based in Cape Town, is a collector and buy-back centre. It sources waste from rural communities, bakkie brigades, retail distribution centres, stores and reclaimers. The company's baled material is sold to recyclers in the Cape Town area. Third Element Holdings also runs a CSI programme to assist individuals with training, platform scales, bulk bags and educational materials. Polyco's investment has helped expand the company's baling capacity and enabled it to add a granulator machine to provide feedstock for recyclers.

#### **Atlantic Plastic Recycling**



Established in 1989, Atlantic Plastic Recycling is a Parow-based company in Cape Town that employs 130 permanent staff. The company makes items such as shrouds, carrier bags, refuse bags, piping and HD bottles. In 2023, Polyco invested in a wash plant and generator to boost operations.

#### **Malta Recycling**

Malta Recycling

Malta Recycling, based in Parow Industrial, employs 150 people and recently expanded by acquiring Supaplas Plastic Recycling in Bellville South. In 2023, Polyco provided partial funding for a solar installation, generator, hot wash plant and friction washer to enhance Malta Recycling's operations.

#### Myplas



Myplas is a well-known recycler in Cape Town that started operating in 2012 and has since expanded its capacity, achieving ISO 9001:2015 certification. The company employs more than 150 people and recycles high-density and low-density polyethylene and polypropylene materials, and operates a state-of-the-art laboratory. In 2023, Polyco invested in a detector, sort conveyor, platform, stairs, hand railing, chutes, transport, wiring and installation to support Myplas's operations.



#### **Outeniqua Plastics**

Outeniqua Plastics, based in George in the heart of the Garden Route, has been manufacturing polyethylene plastic film products since 2004. Its main product line includes refuse bags, along with industrial packaging and wood, plant, compost and food bags. The company supplies municipalities and the retail sector. In 2023, Polyco invested in a plastic granulating line and a film-squeezing machine to support Outeniqua Plastics' operations.

#### Winelands Plastics & Imports



Winelands Plastics & Imports, established in 2003 as a waste collector, expanded its operations to include recycling in 2010. The company is owned by Louis Stemmet and is based in Worcester in the Breede Valley. Winelands Plastics & Imports continues to grow its footprint, and in 2023, Polyco's investment in a baler, wash plants and shredder helped the company increase its recycling capacity.

#### **Innovative Plastics**



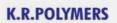
Innovative Plastics, founded in 1995 and based in Gqeberha, specialises in recycling and produces both pelletised materials and products for bag blow moulding. Owned by Kevin Sampson, the company employs 106 staff members. Polyco previously invested in the company in 2018, and made an additional investment in 2023 for an extruder.

### **TEH Global Trading**



TEH Global Trading is the trading arm of Third Element Holdings, a well-established buy-back centre and collector in Cape Town. Owned by Dylan Botes, the company holds a B-BBEE Level 1 rating, with pelletising operations managed under TEH Global Trading. In 2023, Polyco invested in an extruder, crusher, washing line, dryer and conveyor feeder to support the company's operations.

#### **KR Polymers**



KR Polymers, run by Duard Raath, has been recycling high-density and low-density polyethylene and polypropylene for more than 15 years. The company is involved in a circular economy initiative in the agricultural sector, where agricultural sheeting is collected, recycled and transformed back into new sheeting, allowing small farmers to benefit from recycled plastic. In 2023, Polyco invested in a generator and a solar rooftop solution to support the company's operations.

#### **Bagodumo Trading Enterprise**



Bagodumo, a recycling company in Limpopo, is owned by Thomas Robert Mohlala and holds a B-BBEE Level 1 rating. In 2021, Polyco's investment allowed the business to acquire essential equipment including an extruder, shredder, granulator and blowing system. In 2023, Polyco further invested in a generator to support the business.

#### **New Earth Recycling**



New Earth Recycling, based in Cape Town and owned by Noel Ehrenreich, is a B-BBEE Level 1 recycler. New Earth Recycling's vision is to be a leader in the creation of multiple environmentally friendly and sustainable channels and end-user applications for recycled waste plastics. In 2023, Polyco further supported the business by investing in a generator.

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### RECYCLING SERVICE FEE

In 2023, Polyco initiated a recycling service fee to support all plastic packaging recyclers. The service fee is intended to assist the business with its operational costs, which include purchasing from collection companies and/or investing in alternative energy solutions. Polyco supported 48 companies. totalling investments of more than R12 million.

### TRANSFORMATION PROJECT **INVESTMENTS**

Polyco invests in transformation projects that advance plastic waste management in South Africa, focusing on youth, job creation, people with disabilities, and under-served recycling areas. Key initiatives include our flagship Packa-Ching programme and Enterprise Development Projects.

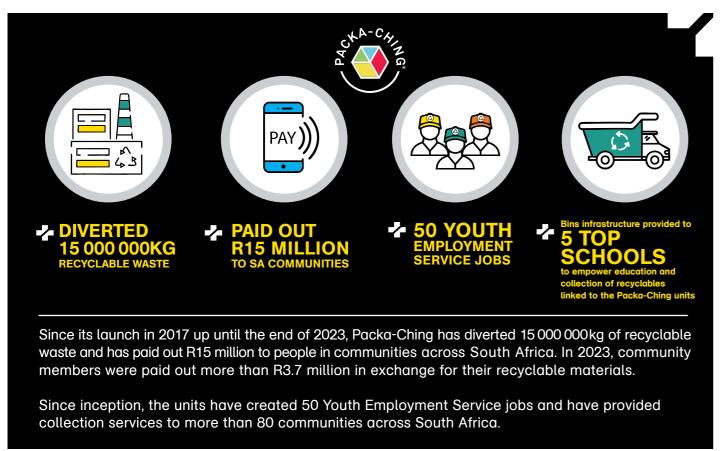
#### Packa-Ching

Packa-Ching, our flagship collection program, serves South African communities with limited waste management services or separation-at-source initiatives. Polyco and core sponsors funds local B-BEEE waste

collection companies to expand operations by adopting a Packa-Ching unit. Additionally, Packa-Ching bolsters municipal collaboration projects be enhancing waste management efforts. In 2023, we introduced the Packa-Ching Lite model to drive further impact.

Packa-Ching aims to increase collection and recycling rates in South Africa by showing that used recyclable packaging has a monetary value. Packa-Ching is a network of enterprise-owned and -operated mobile and static separation-at-source recycling collection centres that collect used recyclable packaging material from the community members in low-income and informal areas and pay them for it. Packa-Ching is therefore tapping into a new source of recyclable material and educating communities used recyclable packaging waste has

Each kilogram of recyclable material brought to a Packa-Ching unit is weighed and paid for via a cashless payment system. Only a standard cellphone is needed to use the service and receive these funds, making it widely accessible. This payment is enabled by a technology-based WeighPay system and has instant recordkeeping of transactions. To enhance Packa-Ching collections, Polyco provided the top five schools with bin infrastructure and educational materials.



### Packa-Ching units launched in 2023:



#### The Artell

The Artell, based in Mahikeng in North West, operates as a buy-back centre and material recycling facility for all recyclable materials. The centre, which is located in Danville, buys, sorts, grades, compacts, crushes and bales recyclable waste according to the specifications of major recycling companies in South Africa

Established in 1987, The Artell expanded its operations with the investment in a truck and trailer in February 2023.



#### **Neo Recycling**

Neo Recycling is a collection and buy-back centre in Thabazimbi, Limpopo, which collects and purchases recyclable materials from surrounding greas, including Leeupoort, Rooiberg, Northam and Mogwase. In 2023, Polyco supported Neo Recycling with its second Packa-Ching unit.



#### **CL Trading**

Founded in 1996 and based in Stellenbosch, Western Cape, CL Trading specialises in waste management, scrap and metal recycling, and steelwork reaching vast areas within Western Cape.. In April 2023, Polyco supported CL Trading by providing a Packa-Ching unit to enhance its operations.

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#### **Mpilenhle Recycling**

Based in Newcastle, KwaZulu-Natal, Mpilenhle Recycling was founded by three young entrepreneurs. A collector that offers buyback services, waste management,training with focus on schools and cleanups In May 2023, Polyco provided Mpilenhle with a Packa-Ching unit to support its recycling operations.



#### **Mmula Group**

Mmula Group operates out of Vryburg, North West. Polyco supported the business by providing a Packa-Ching unit in September 2023.



#### **Phambili Recycling**

Phambili Services, a waste management company based in Jeppiestown, Gauteng who services the community and also uses the collected recyclables to create product that includes recycled material into a finished product.



#### **Sbumeister Plastic Recyclers**

Sbumeister Plastic Recyclers, based in Pinetown, Kwazulu Natal, is a waste management business specialising in buying, collecting, washing and granulating plastics. In August 2023, Polyco supported the business by providing a Packa-Ching trailer to enhance its collection capabilities.



#### **Greener Pastures Recycling Company**

Greener Pastures Recycling Company, located in Johannesburg, specialises in on-site waste management, collection, transportation and recycling services. Its team sorts recyclables into different streams, helping to reduce landfill waste. After previously receiving a static Packa-Ching unit, the company was awarded a mobile unit by Polyco in November 2023.



#### KG & Jeany

KG & Jeany, a business based in Pretoria, operates an buy-back centre in Gauteng. With funding support from Polyco, it has expanded its capacity to meet the growing demand for recyclables. In September 2023, Polyco provided KG & Jeany with a Packa-Ching trailer to further enhance its operations.



#### **KU Green Hands**

KU Green Hands, a business based in Richards Bay, Kwazulu Natal, was established in 2019. In July 2023, Polyco invested in the company's growth by providing a trailer to support its recycling collection operations.

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Previously, Packa-Ching trailers were only available in a larger 6-meter size. In 2023, Polyco expanded the fleet with smaller 3-and 4-meter Packa-Ching Lite options, designed to support emerging collection companies and reach more communities across South Africa.

### Packa-Ching Lites launched in 2023:



#### **Big Start Training & Development**

Big Start Training & Development is a trailblazing 100% black-women-owned organisation and was founded in 2006. The company identified a crucial gap in waste management and set out to address it through impactful training and development programmes. In 2023, Polyco supported the business by providing a Packa-Ching trailer to support for increased capacity, mobility, and accessibility allowing Big Start to reach the community.

#### GreenZA



Based in Thohoyandou in Venda, Limpopo, GreenZA run by a chemist with a National Diploma in Analytical Chemistry has developed a strong passion for recycling and sustainability. With a focus on empowering rural communities, their goal is to create youth employment opportunities in the Vhembe District Municipality through innovative waste management and recycling initiatives. Polyco awarded them with trailer to achieve these goals.



#### **Mkhuzangwe Waste Solutions**

Based in Khayelitsha, Cape Town, Mkhuzangwe Waste Solutions empowers communities through efficient waste management and job creation. In 2023, Polyco supported them with a Packa-Ching trailer to expand their reach and create more jobs.



#### **Serious Buyers**

Serious Buyer operates on the Mogwase landfill site in the North West province, which caters to waste from 1a multitude of villages of Moses Kotane Local Municipality.



#### **Vaalpark Recycling Centre**

Vaalpark Recycling Centre operates as a separation-at-source project, focusing on collecting recyclable materials from households in the Vaalpark, Sasolburg residential area. In 2023, Polyco supported the centre by providing a Packa-Ching trailer to enhance its collection operations.





WasteGo Green, located in Racing Park, Milnerton, operates as a waste buy-back and collection centre. The centre offers comprehensive waste collection and recycling services to both residential and business clients. In 2023, Polyco supported WasteGo Green by providing a Packa-Ching trailer to enhance its collection operations. A community development program inspired by the desperate need for curtailment of the unemployment rate and poverty in Dunoon and Joe Slovo township communities



#### **Africa Green Earth Projects**

Africa Green Earth Projects, a nonprofit organization in Mpumalanga, is committed to waste management and recycling. It sources recyclables from companies, walkin customers, and landfill pickers. To enhance its collection operations, Polyco provided a Packa-Ching trailer in 2023. In Buyelani Village, community leader Africa Green spearheads a Community Buyback Center focused on job creation and local empowerment.





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#### **Enterprise Development Projects**

Polyco established the Enterprise Development Projects (EDP) fund to provide grants to small and developing waste management businesses that cannot access other sources of funding. The fund focuses on supporting start-ups, micro and small collection or recycling companies, and has a particular focus on previously disadvantaged individuals, with a special focus on women, young people and persons living with disabilities, as per the EPR legislation. The aim is to train, develop and grow businesses in order to transform the plastic packaging recycling industry. The EDP fund establishes infrastructure in

communities where recycling is lacking and supports initiatives in the plastic waste management arena.

In 2023, Polyco invested more than R5 million into EDP, of which all the companies are B-BBEE Level 1 companies.

Do more foundation training that started September 2023,ARO and SAWPA trolley support, Dakota Buyback items were purchased in 2023 and launch only happened in 2024 due to availability of stakeholder, Green Youth Indaba support in 2023, Packa-Ching bins going into schools, mention of POlyoak and uni lever support to reclaimers initiatives.

#### **Enterprise Development Projects funded in 2023:**







The Breede Valley Association of and for Persons with Disabilities is a nonprofit organisation that renders therapeutic, social and community development services to persons with disabilities in the Breede Valley municipal area, including the communities of Worcester. Rawsonville, De Doorns and Touws River. Currently, one of the six strategic focus areas is to run a waste management project, providing employment opportunities for eight people with disabilities and increasing the servicing of schools. Polyco dedicated large collection hubs empowering the team the ability to effectively separate recyclables at the hub bins, a manual stacker, personal protective equipment (PPE), educational booklets, Polyco's WeighPay system and bulk bags.



#### **CalSan Enviro Solutions**

CalSan Enviro Solutions is a 100% black-youth-owned waste management company in Lichtenberg, North West that was founded in 2022. The purpose of the company is to redefine the meaning of waste and seek alternative solutions about how to reduce waste disposed of in landfill and illegal dumping spots in a challenging and rural municipal waste collection environment. Polyco provided an H15 baler, Polyco's WeighPay system, PPE for reclaimers.



#### **CK Empowerment**

CK Empowerment, founded by a former EPWP worker and a women-owned business in Elsies River, Cape Town, focuses on reducing landfill waste through recycling. With a youthdriven workforce, the company is Level 1 BEE certified.

Polyco has supported CK Empowerment by providing OHSA safety equipment, including PPE and first-aid kits, alongside marketing materials such as business signage, educational leaflets, and clear refuse bags, to help enhance and expand their operations.

#### **Junk STARS**



Junk STARS is a nonprofit based in Hout Bay harbour, Cape Town, and aims to reduce pollution and help alleviate poverty in Hout Bay. It encourages recycling by rewarding children with basic foods, toiletries, clothing and toys in return for collecting and handing in recyclable waste. Its aim is to expand its operations to other areas in Hout Bay and to introduce the concept of recycling to informal settlements across the rest of the country. Polyco provided the company weigh pay system, PPE for the sorter at the facility as well as basic PPE for 100 reclaimers that supply the unit., community how to recycle guides and clear refuse bas for collections

#### **KU Green Hands**

KU Green Hands is a community-focused buy-back centre in Richards Bay, KwaZulu-Natal, offering waste separation and disposal services. The business provides income opportunities, particularly for women breadwinners. Polyco supported KU Green Hands with trolleys, marketing materials to expand its presence, cages, bulk bags, and PPE to enhance its operations.



#### Inkwazi Isu

The Department of Forestry, Fisheries and the Environment (DFFE) has undertaken a Buy Back Centre legacy project for Minister Barbara Creecy. This was showcased at an International Coastal Clean Up event held at Dakota beach, KZN. This buy back centre will be operated by Inkwazi Isu and will create job opportunities, raise awareness about the importance of recycling and divert waste from the environment. Polyco has provided infrastructure, operational equipment, and marketing materials to support the initiative.



#### **Invest in Dignity Foundation**

The Invest in Dignity Foundation is a nonprofit organisation that exists to alleviate poverty, protect the environment and grow aspirations in black communities. It also provided educational leaflets-and bulk bags and clear refuse bags to enhance collection, aims to empower women through waste management circularity and has a strong focus on community education and awareness, upskilling and training. Polyco provided the foundation with trolleys, a baling machine, PPE for 300 reclaimers and Polyco's WeighPay system.



#### **MKGreen Solutions**

MK Green Solutions, a buy-back centre in Pietermaritzburg and Estcourt, partnered with Hulamin, One Life Foundation, and Polyco to establish recycling in an area previously lacking such services. This collaborative project sponsored by Polyco, Hulamin and One Life Foundation supported the business with a baler, scale, trolleys, a customised container, land to operate on, WeighPay system, bulk bags, recycling bins for local schools, and educational brochures to enhance operations and improve waste collection.

Do more foundation training that started September 2023,ARO and SAWPA trolley support, Dakota Buyback items were purchased in 2023 and launch only happened in 2024 due to availability

of stakeholder, Green Youth Indaba support in 2023, Packa-Ching bins going into schools, mention of POlyoak and uni lever support to reclaimers initiatives.

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#### **Never Give Up**



Nompumelelo Njana is a waste reclaimer with a registered business focused on aiding the Khayelitsha community through waste collection and sales services. Her business supports the community by assisting 20 women waste reclaimers in their daily collection efforts. Njana also plays a role in selling and communication processes related to waste. She is dedicated to environmental causes and is passionate about empowering waste reclaimers while actively seeking opportunities for them. Polyco provided Never Give Up with Polyco WeighPay, 50 bulk bags, a scale, clear refuse bags to support reclaimers collections and PPE for 20 women waste reclaimers.

#### **Nyara Youth Development**



Nyara Youth Development is a nonprofit company that empowers the youth in the Nyara villages area, which is a rural and impoverished region, and creates opportunities for marginalised rural youth. Nyara Youth Development operates as a youth resource centre that serves more than 1 200 young people through various programmes such as recycling workshops, food relief, gender-based violence empowerment, digital literacy, entrepreneurship and skills development. Polyco provided a scale, clear refuse bags, educational material, PPE, large collection recycling bins as in sorting and storing large volumes and Polyco WeighPay system to start a collections hub while educating, empowering and employing youth.

#### **Soulbent Project**



Established in 2007, Soulbent Project tackles environmental concerns in Gauteng and operates the first buy-back centre in Saulsville, Pretoria. To support its growth, Polyco provided sponsorship focused on business development and OHSA safety, including the WeighPay system,educational material, training, PPE, trolleys, bulk bags, and essential safety equipment.

#### **TVK Recyclers Trading Enterprise**



TVK Recyclers Trading Enterprise is a recycling centre in the Mkhondo Local Municipality, which forms part of Gert Sibande District Municipality in Mpumalanga. TVK aims to focuses on waste separation at source, recycling, and job creation for local youth and women and were funded a WeighPay system, a container to be utilised as a buyback centre and PPE. float and educational material for the community on how to recycle.

#### **United in Truth**



United in Truth, based at the Nseleni Material Recovery Facility in Richards Bay, is a familyrun business collecting recyclables and creating jobs for the community, including 50 waste reclaimers. Polyco supported the business with trolleys, cages, PPE, bulk bags, office equipment, clear refuse bags, a scale, the WeighPay system, a lockable cabinet, to enhance its operations.





#### 3.2 WASTE RECLAIMER INTEGRATION AND SUPPORT



value chain and providing them with dignity. We extend our sincere gratitude to Polyoak Packaging and Unilever for their generous sponsorship and invaluable support in addressing the needs of reclaimers.







# Hygiene packs





In 2023, Polyco supported 26 businesses and waste reclaimer organisations by providing a total of 2 380 hygiene packs, valued at R600 000. These hygiene packs are intended to help restore dignity to waste reclaimers, supporting their health and wellbeing as they contribute to environmental sustainability.



In 2023, Polyco supported Packa-Ching units, enterprise development projects and waste reclaimer organisations (ARO and SAWPA) by providing a total of 260 collection trolleys, valued over two million. These trolleys have been distributed to various waste reclaimers across South Africa to help waste collectors scale their operations, allowing for a more efficient and productive collection process



## WASTE PICKER REGISTRATION AND SERVICE FEE

In terms of Section 5A(1)(p), an EPR scheme is required to compensate waste collectors, reclaimers or pickers – who registered with the National Registration Database by November 2022 – for collection services and environmental benefits through a collection service fee. (This is referred to as the waste picker service fee.)

The Council for Scientific and Industrial Research developed the South Africa Waste Picker Registration System (SAWPRS) with the support of national and international funding. The system intended to establish a sustainable and functional system for registering waste pickers and to ensure that registered waste pickers are paid a waste picker service fee.

Numerous challenges were faced in ensuring that waste pickers could be registered and that a waste

picker service fee could be paid. Polyco therefore continues to work with the Paper and Packaging PRO Alliance to address these issues experienced by all members of the alliance. These include SAWPRS system ownership and hosting, verification and payment integration, and buyback centre integration.

As part of our initial registration of waste reclaimers, our Packa-Ching buy-back centres were prioritised because of established relationships with Polyco. These relationships provided access to a wider network of waste pickers who trade with Packa-Ching. Additionally, mobile registration capabilities within these areas facilitated easier access for waste pickers. Polyco obtained the assistance of the waste picker organisations to assist in the registration drive. Eight registration drives were undertaken between June and November 2023, and 409 waste pickers were registered on SAWPRS.



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#### 3.3 MUNICIPAL COLLABORATION

Polyco's EPR scheme has experienced notable success with our first municipal project in the Buffalo City Metropolitan Municipality in collaboration with the Border-Kei Chamber of Business, the Buffalo City Metropolitan Municipality and the Buffalo City Metropolitan Development Agency. Through the collaboration, we established two new community-based static Packa-Ching buy-back centres in 2022.

In collaboration with all project partners, Polyco approved the establishment of three new community-based static Packa-Ching buy-back centres to service the recycling needs of the public and to create a cleaner city in 2023. A marketing campaign accompanied the launches to

educate the public about recycling and to encourage them to use the buy-back centres.

Polyco committed R2 million for the funding of the static Packa-Ching buy-back centres. Construction and branding have been completed, with the units' official launches to take place in 2024.

Polyco engaged with municipalities across South Africa to establish working relationships with the municipalities in order to bring recycling initiatives into effect in 2024 and beyond. In addition to advertising Polyco's offerings in municipal publications, Polyco attended 14 municipal-focused events. Here we engaged with more than 950 delegates and shared with them how Polyco can assist municipalities to improve collection and recycling, and how to build on economic opportunities in the waste industry.







#### 3.4 EDUCATION AND AWARENESS

Education and awareness are core to growing the plastic recycling industry in South Africa. We focus our education and awareness initiatives on both the industry and the South African consumer, with a special focus on educating schoolchildren about plastic recycling. We use our three brands to do this: Polyco, Polyco's Million+ and Polyco's Packa-Ching.

#### **Industry Awareness**

Polyco exhibited at various events throughout 2023 to engage industry and to form collaborative partnerships. These included the Urban Waste Management Conference, the DFFE EPR Roadshow, the Annual Green Youth Indaba, IFAT Africa, FutureMe World of Work Career Festival, Propak Cape 2023 and COP28.

COP28, the 28th session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, took place in Dubai. This global gathering is a pivotal platform for nations, industries and organisations to unite in addressing climate change challenges and advancing environmental sustainability. With a focus on reducing carbon emissions, promoting circular economies

and strengthening climate resilience, COP28 fostered international collaboration, which is essential for Polyco's mission of driving a circular plastics economy. The global spotlight on circular economy models at COP28 was directly aligned with Polyco's vision of making waste a valuable resource. Attending COP28 allowed Polyco to learn from innovative practices and frameworks being adopted worldwide, which can be adapted and implemented locally. COP28 provided a platform for showcasing the latest technological advancements and policy innovations in sustainability. Polyco has used the knowledge gained from attending this prestigious event by leveraging this platform to explore new technologies and best practices in plastic collection, sorting and recycling, which can further enhance our own operations.

Polyco participated as an exhibitor at Propak Cape 2023 at the Cape Town International Convention Centre. During the expo, Polyco hosted several side events highlighting the areas of work within Polyco. The workshops were open to members as well as other attendees of the expo.

Polyco invested in the Designed For Earth web-based design for recycling platform in collaboration with SAPRO and WWF. This system is a dynamic digital guide for creating products that can be more easily recycled. It is accessible through the designedforearth.com website.



3) Polyco's Focus Areas | 29

#### **Consumer Education and Awareness**

Polyco's Million+ distributed educational material to more than 2 600 schools across the country, reaching more than 2.6 million learners and more than 120 000 educators. This aims to introduce a culture of recycling at a young age and encourages children to take this information home and educate their families and communities. Polyco's Million+ nationwide roadshow, with our plastic recycling mascot, Binnie, visited schools to show them how important recycling is, and how much fun it can be. To support our Packa-Ching enterprises and their collections from schools, we have created educational booklets and branded bulk bags that are used to support the schools from which they collect.



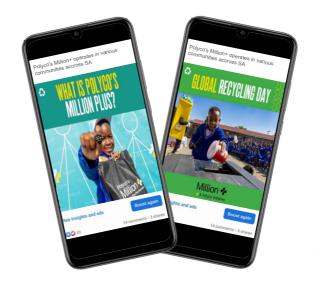




To raise awareness among shoppers about plastic recycling, Polyco funded reverse vending machines in Pick n Pay stores in KwaZulu-Natal, Gauteng, the Western Cape and the Eastern Cape.









Polyco's Million+ completed the second iteration of its "How to Recycle at Work without the Work" campaign, which engaged more than one million South Africans. The counter on the Million+ website

(www.millionplusrecyclers.co.za) now has more than one million people engaging with the content we are showcasing.









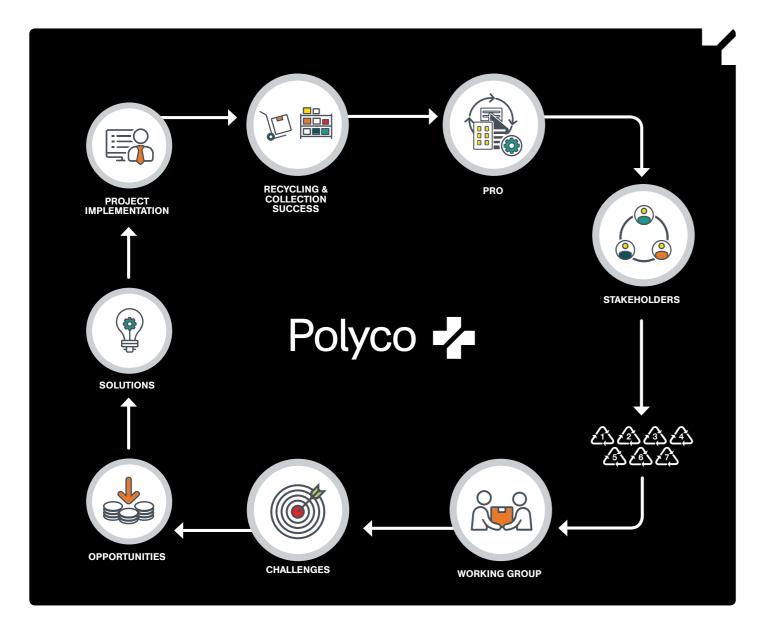


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#### 3.5. STAKEHOLDERS AND MEMBER SUPPORT

Polyco has a dedicated Stakeholder Engagement Team that is responsible for member services. In 2023, Polyco continued to engage the companies that registered to be members of Polyco to understand their business, to advise whether they are indeed obliged industry and to inform them of their compliance obligation. To support our more than 600 members we engage regularly through calls, emails and meetings.

Stakeholder Working Groups at Polyco were set up to establish a working relationship with our members around EPR obligations. They are focused per material type and are a way for us to cooperate with our members to find innovative and sustainable solutions to challenges within the industry. Polyco's Working Groups are also an opportunity for us to update members on the most current progress in respect of our collection and recycling targets.



A regular PolyChronicle emailer is sent out to all members to provide updates on Polyco's activities across the plastic recycling industry.

In 2023, our member onboarding process was updated to be an online member registration system accessed via the Polyco website. Industry obliged by the EPR regulations can register with Polyco to be a member by

providing their company details on the online system. After completing the registration process and upon signing a membership contract, the company becomes a member of Polyco's EPR scheme and is provided with a member certificate. The member certificate is valid for one calendar year and is renewed annually based on the member's continuous commitment of their tonnage declaration and payment of the EPR fees.

# **Governance and Board** Representatives





Polyco is represented by its members and functions under the leadership of its executive structure, headed by its chief executive officer (CEO) and a board made up of representatives of its member sectors. In 2022 Polyco established an interim board that represents the member sectors, and the sectors currently represented in the Polyco board are packaging manufacturers, resin producers, brand owners, retailers and an industry association.



In 2023, Polyco underwent a B-BBEE certification process and attained B-BBEE Level 4.



The organisation employs 22 people who are primarily based in the Western Cape and Gauteng.



Polyco achieved a clean audit opinion by our appointed auditors, Watson Incorporated, for 2023.

#### **Polyco Board and Governance**

To meet the requirements of the EPR regulations and implement the scheme, changes have been made from the board level all the way through the organisation. Polyco's Memorandum of Incorporation

has been updated and tabled for the interim board's consideration. Approval of the Memorandum of Incorporation and the new board structure is expected to be completed in 2024.

As at the end of 2023 the interim board is still in place.

#### The interim board is as follows:

- four brand owner representatives;
- four retailer representatives;
- four converter representatives;
- wo resin producer representatives; and
- one industry association representative.

The Polyco board has established two committees to oversee key aspects of its operations, namely risk management, remuneration and project investments. These committees are the Audit, Risk and Remuneration Committee, and the Project Evaluation Committee.

## **POLYCO BOARD REPRESENTATIVES:**











Clare Hennion Safripol



Ciponte Feroza Grosso Nestlé



Tumisang Matsheka PepsiCo



Johan Roestorf RCL Foods



Sameera Moola Unilever



Sanjeev Raghubir Shoprite







Neo Momodu CGCSA (resigned)



Linksa Geustyn RCL Foods (resigned)



Annabe Pretorius Plastics SA

Converters Polyoak **Constantia Afripack Tropic Plastic** 

Jeremy Mackintosh (Chair) Nicholas John Ismail Simjee

**Plastics I SA** Anton Hanekom

### **Raw Material Manufacturers**

Sasol David Mokomela Safripol Clare Hennion

Brand Owners Nestlé PepsiCo RCL Foods Unilever

Feroza Grosso Ciponte Tumisang Matsheka Johan Roestorf Sameera Moola

Retailers Shoprite Pick n Pay **Clicks Group** 

Sanjeev Raghubir Vaughan Pierce Karien Boolsen

Independent

Annabé Pretorius

# 05

# **Polyco Team**





Austen Nanguke xecutive: Finance & IT System













Rughshana Zoutenberg



Lisl Doherty
Interprise Development Man



Kyle Dewar Marketing Manage



Thabiso Ndlovu
Financial Accountant



**Leigh Elvidge** Stakeholder Ligison



Maymunah Safudien
Project Coordinator









Siyasanga Boyce Financial Administrator



**Lisolethu Mooi** Legal and Compliance Office









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