

eWASA Public

ANNUAL REPORT

2023

March 2024

19/7/6/E/PRO/20210512/001

19/7/5/P/PRO/20211123/022

19/7/7/L/PRO/20211123/004

19/7/5/P/PRO/20230710/045



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2023 SCHEME HIGHLIGHTS

The eWASA Scheme is a 5-year rolling action plan developed with stakeholders to fulfil producers' obligations under the Extended Producer Responsibility regulations, 2020 and ensures the environmentally sound management of five waste streams viz, Electrical and Electronic Equipment, Paper and Packaging, Lighting, Portable Batteries and Lubricant Oils.



3060
PPE Items Donated



375
Waste Picker Trolleys Donated



R1,8M
Paid towards Waste Picker Service Collection Fee.



R106M
Revenue collected



R15.91 M
SMME development



93
Direct Jobs created



185
Indirect Jobs created



31% of Polystyrene
Collected and Recycled



9118 tons
Electrical and Electronic Equipment
Collected



R2,8M
Spent on Municipal
Infrastructure

13 EEE Containers
in 5 Provinces

*Mini Recycling Plants

5

Municipal
MOUs



FINANCIAL OVERVIEW

FINANCIAL PERFORMANCE

In the first year on implementation eWASA took a conservative approach to budget expenditure. This was mainly due the delay in receiving concurrence which impacted our commitment to projects. Considering this, eWASA has displayed fiscal prudence and continues to do so to ensure that funds are spent on sustainable projects, that will yield the desired results. Our current budget allocation spend shows an upward trajectory with increase spend from 2022 in 2023 which includes surpluses accrued in 2022. Furthermore, eWASA has over 20 planned and approved projects that will be carried within this financial year, 2023.

Despite these challenges, we have maintained a steadfast commitment to fiscal responsibility and following a cautious start to the year.

ADMINISTRATION BUDGET

The total actual revenue for 2023 amounts to R106 077 000, with an actual expenditure on administration costs amounting to R4 839 000.00. eWASA has currently utilized 7.82% of the budgeted revenue, as detailed in annexure 1 and annexure 2.

PROJECT BUDGET

The budgeted and actual spend have consistently increased from 2021/2022 to 2024. The budget rose from over R15 million to around R35.5 million. Actual expenditure surged in 2023 due to project implementation and further increased in 2024 following project approval and fund releases. recycler payments, enterprise development

Revenue
R106m

Admin Expenses
4.83M

Admin
4.56%



R5.3M
Recycling Payments



R15.9M
Enterprise Development

ELECTRICAL AND ELECTRONIC EQUIPMENT

EXECUTIVE SUMMARY

On November 5, 2020, South Africa’s DFFE enacted Extended Producer Responsibility regulations, placing new obligations on producers in sectors like Electrical and Electronic Equipment (EEE). eWASA, an accredited PRO, played a key role in supporting producers and recyclers through compliance. In 2023, eWASA exceeded its 30% collection and diversion targets, aided by a surge in recycler membership and improved reporting. Through training and timely payments, reporting accuracy increased. Despite challenges, eWASA implemented successful EEE projects across South Africa, setting a strong foundation for growth in 2024

PERFORMANCE AGAINST TARGETS

In 2022, eWASA was evaluated against industry targets based on the volumes of EEE placed on the market and recycled by its members. Due to legacy stock inflating reported figures, eWASA worked with the Department of Forestry, Fisheries, and Environment (DFFE) to clarify the distinction between Product Placed on Market (POM) and actual recycled quantities. As a result, eWASA exceeded its recycling target, achieving a 31% diversion rate, with 9,118 tons diverted out of 29,663 tons placed on the market.

29663
tons POM

9789
tons collected



2676 tons
Recovered



5640 tons
Recycled



226 tons
Re-used

CONCLUSION

eWASA is currently well positioned and set to achieve consistently on all fronts related to EEE, including appointment of new producer members for EEE, continually developing new SMME’s nationally for e-waste recycling in municipal projects and setting up related infrastructure. This is set to continue in 2024 with a lot more traction after completion of training curriculums and training SMME’s to manage these businesses and thus increasing recycling rates as required by the EPR regulations.

LIGHTING

EXECUTIVE SUMMARY

The lighting sector's development in 2023 fell short of expectations due to several challenges. A significant barrier was the disparity between recyclers' gate fees and the EPR fees, with differences reaching up to 70%, causing a deadlock. Additionally, the absence of Service Level Agreements (SLAs) with eWASA prevented recyclers from claiming a substantial portion of the EPR fee, further impeding progress.

Lighting remains a challenge due to the limited recycler network in South Africa. However, eWASA is determined to seek development of alternative solutions.

PERFORMANCE AGAINST TARGETS

	(viii) Incandescent and Halogen light bulbs	(iv) Other Light Emitting Devices	(i) Gas Discharge Lamps
	Incandescent filament lamps	Vehicle/Automotive lighting	Lighting from other electronic equipment
Placed on Market (tons)	3	186	1
Collection (tons)	0	0	0
Recycling (tons)	0	0	0
Recovery (tons)	0	0	0
Collection %	0%	0%	0%
Recycling %	0%	0%	0%
Recovery %	0%	0%	0%
Published Collection Target % Y2	60%	15%	10%
Published Recovery Target % Y2	95%	80%	85%
Published Recycling Target % Y2	95%	85%	75%

PORTABLE BATTERIES

PROGRESS AND 2024 OUTLOOK

The plant's modular design allows for the potential erection of multiple facilities in strategic locations nationwide. Advanced negotiations are in progress with major retail outlets, facilitating the convenient disposal of all disposable batteries by consumers. These batteries will be collected by eWASA-certified and compliant recyclers for sorting and subsequent delivery to the recycling plant.

PAPER AND PAPER PACKAGING

EXECUTIVE SUMMARY

The Extended Producer Responsibility (EPR) regulations in South Africa enter their third year in 2024. This milestone signifies a crucial point in our journey, as we continue to improve our support to producer and recycler members across the value chain of each identified material. eWASA members primarily consists of large brand owners, retailers, and importers, with a growing presence of local raw material suppliers, manufacturers, converters, and recyclers. This member base is largely made up of producers that were not part of previous voluntary PRO schemes.

Like EEE, most of our producer members are still in the learning curve and implementation phase, particularly concerning the material categorization and calculation of tonnages for various paper and packaging material streams. Many producers importing products into South Africa lack access to accurate data or the necessary systems for precise calculations. eWASA has provided close support to members in this regard, resulting in improved data integrity. eWASA foresees that this will be true for some time to come in the process of signing up members and onboarding those that were considered to be free riders.

PERFORMANCE AGAINST TARGETS

In 2023, the Paper and Packaging scheme expanded to include 8 product classes more than double from 2022, with new additions like plastic thermoformed PET, flexible PET, multilayers, and poly vinyls. This growth was driven by an increase in producer members and improved awareness and training in material categorization. A key achievement was a record 31% recycling rate for polystyrene from eWASA members, thanks to targeted projects and collaboration. Additionally, six other material classes surpassed recycling targets, except for multilayer/laminate packaging, which remains difficult to recycle globally. A voluntary brand owners forum, initiated in mid-2023, highlighted these challenges. Looking ahead, focused efforts through stakeholder working groups aim to boost the recycling and beneficiation of flexible multilayer materials in 2024.

Exceeded collection & recycling targets for 7/8 categories of PP material streams



31% of Polystyrene Collected and Recycled



	Placed on market (tons)	Recycled (tons)	Collected (tons)	Recycled %	Collected %	DFFE Collection Target Y2	DFFE Recycled Target Y2
Paper packaging material/Corrugated cases/Kraft papers	27323	25302	25302	93%	93%	70%	68%
Plastic thermoformed PET	38	37	37	97%	97%	19%	17%
Plastic flexible PET	605	122	122	20%	20%	30%	27%
Polyolefins Rigid Packaging	851	3842	3842	451%	451%	60%	45%
Polyolefins flexible	4399	3498	3498	80%	80%	62%	48%
Polystyrene	6710	2059	2059	31%	31%	33%	30%
Polyolefins (multi-layer plastic packaging)	1191	2	2	0%	0%	25%	20%
Poly Vinyl Chloride (PVC)	21	7	7	33%	33%	7,00%	6,00%

CONCLUSION

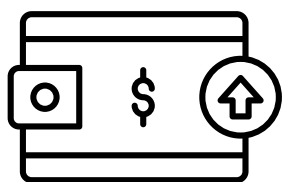
2023 eWASA reflected significant progress in the Paper and Packaging sector, with notable achievements in recycling rates, waste management initiatives, infrastructure, education and training and industry collaboration towards delivering Project on the ground that benefit South Africa as a whole. The success of these endeavours underscores the importance of continued efforts towards sustainable practices and the fulfilment of Extended Producer Responsibility objectives through material specialist focus and dedication.

We remain committed to furthering these initiatives and look forward to continued collaboration with the Department of Forestry, Fisheries, and the Environment to promote environmental stewardship and resource conservation in South Africa.

WASTE PICKER INTEGRATION

The EPR Waste Association of South Africa (eWASA) recognizes the indispensable role of waste pickers in the waste value chain, particularly in the separation at source and collection of recyclables. Globally and within South Africa, waste pickers have demonstrated their pivotal contribution to sustainable waste management practices. One of eWASA's key initiatives involves ensuring fair compensation for waste pickers through the payment of EPR waste picker collection service fees, aligning with regulatory guidelines.

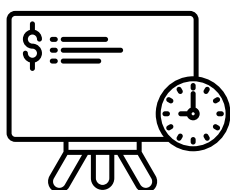
However, the registration and payment process for Waste Pickers faced hurdles due to the complex and costly Waste Pickers Registration Process, prompting the development of an alternative system by eWASA. In response to challenges surrounding delayed payments to Waste Pickers, primarily attributed to the cumbersome and time-consuming nature of the Waste Pickers Registration System, significant reforms have been implemented. The following measures have been enacted to streamline the payment process, including back payments, to ensure timelier disbursement of service fee.



Service Collection Fee Paid

*Disbursements made in 2023

R1 843 439



Waste Pickers Paid

450

eWASA is forging strong partnerships with buy-back centers to create end markets for all materials collected, in adherence to EPR regulations. The emphasis is on expanding the demand and developing end markets for a diverse range of materials, ensuring that waste pickers are not limited to specific material streams. Through these efforts, eWASA aims to directly benefit waste pickers by increasing their income opportunities and creating a more inclusive waste management system.

In conclusion, eWASA's holistic approach to waste picker integration into EPR regulations encompasses financial support, innovative tools, educational initiatives, and market development. By championing these strategies, eWASA is not only aligning with regulatory requirements but also contributing to the social and economic empowerment of waste pickers, fostering a sustainable and equitable waste management ecosystem in South Africa.

SMME & ENTERPRISE DEVELOPMENT

eWASA is mindful of its commitment to invest in the promotion of BBBEE and upliftment of women, youth and people living with disabilities. This commitment is demonstrated by our procurement spend which supports BBBEE requirements, and by supporting SMME Projects run by designated groups. We have partnered with a company called Taking Care of Business (TCB). TCB recruits and trains men and women from disadvantaged communities in life skills, business and basic repair and refurbish of electrical and electronic equipment. The training receives gives the people the skills to run small repair and refurbish businesses in their communities. We are supporting SMMEs linked to our recycling facilities at municipal drop off sites – and are providing them with training and tools required for e-waste recycling. We are funding a whole array of existing e-waste recycling businesses and are capacitating them with training, skills, tools, and equipment for their business operations.

Emphasis was placed on adding value to recyclables as close to the source as possible. Projects focusing on bringing recycling technology to SMMEs at the source of the waste to enhance their earning capacity, proved to be successful. This approach not only supported SMME growth but also increased earning potential for waste pickers and their communities.



MUNICIPAL CO-OPERATION AND ENGAGEMENT

Regulation 5A(1) broadly stipulates that within 3 years of implementation where applicable, for co-operation with municipalities and the establishment of projects to increase collection and recycling of the waste streams registered for.

In pursuance of the requirements of EPR regulations for PROs to work collaboratively with Municipalities, eWASA has been busy at work forging relationships with Municipalities and engaging in wide ranging EPR and Recycling Projects in different parts of the country. eWASA has concluded Memorandum of Understanding with various Municipalities in Rustenburg, Mogale City, Jeffreys Bay, Nelson Mandela Bay and Johannesburg. eWASA has started E-WASTE Recycling Projects in the Municipalities and has provided infrastructure to drive waste management and recycling. eWASA has invested at least R2.8 million in various infrastructure and equipment. In 2023 a total of 13 EEE Recycling Containers and 3 Oceans Plastics with deployed in 5 provinces nationwide.

5
Provinces



Municipality	Infrastructure	SMME Development	Training
Mogale City	✓	✓	✓
Rustenburg	✓	✓	✓
Kouga	✓		✓
Nelson Mandela Bay Metropolitan	✓	✓	✓
Pietermaritzburg	✓	✓	✓
Stellenbosch	✓	✓	

EDUCATION AND AWARENESS



Regulation 5a of the EPR Regulations require that PROs create awareness of EPR Regulations in schools and communities. eWASA has a dedicated department and team charged with running education and awareness campaigns on waste management generally and on EPR Regulations in particular. The PRO has been active at primarily in Gauteng and KwaZulu-Natal Provinces targeting schools and communities with campaigns on EPR and Recycling. eWASA has taken our message on EPR and Recycling to schools and communities in Alexandra, Diepsloot and Orange Farm. In 2023 our events in schools and communities attracted no less than 2000 people.

eWASA is also focused on expanding our EPR Program in 2024 and beyond with the aim to reduce the number of free riders and drive for EPR compliance in the sector. We have formed several Working groups for various sectors as defined in the EPR Regulations. We run regular quarterly Working Group webinars with various sectors and use these sessions to update members on the EPR Regulations and their requirements.



GOVERNANCE REPORT

PRODUCER BOARD MEMBERS

*As per regulation 11, the board is made up of producer members representatives.

Name	Position
Keith Anderson	Founder & CEO
Andre Venter	Non-Executive Director
Marc Black	Non-Executive Director
Stephen Muli	Non-Executive Director
Gwarega Mangozhe	Non-Executive Director
Andile Tlhoale	Non-Executive Director

eWASA subscribes to stringent governance ethos and practices in its EPR Programme. This governance involves the system of processes, principles, and values that direct how eWASA implements its EPR obligations and when it interacts with its network of Producers, Recyclers, etc. across the 4 Waste Streams viz Paper and Packaging, Lighting, Electrical and Electronic Equipment (EEE) and Portable Batteries.

Our strong corporate governance structures promote accountability, transparency, and ethical conduct. To this end we have put in place effective management systems, policies, and procedures that enable us to manage our operations in compliance with the EPR regulations. We have a thorough member onboarding process that ensures all legislative requirements are met including registering on applicable government portals like SAWIC, etc, and paying the applicable levies based on what members put out into the South African Market – and submitting interim and annual reports as they become due.

eWASA is committed to championing South Africa towards the transition towards a green economy, and a resource efficient climate change resilience, circular economy pro-employment growth path.

eWASA is confident that together with its partners and team of experts locally and internationally this Scheme demonstrates its readiness to deal with the challenges listed in the Scheme and to support government and its people in ensuring economic growth and good quality of life for all. Summary of EPR Waste Producers Regulatory Obligations