

OPERATION PHAKISA

CHEMICALS AND WASTE ECONOMY

Launch Report



1. BACKGROUND

Department of Environmental Affairs together with the Department of Planning, Monitoring and Evaluation initiated a Chemicals and Waste Phakisa programme from 24 July to 24 August 2017. Chemicals and Waste Phakisa was aimed at engaging on opportunities that call lead to reduction of impact on the environment, while growing the GDP contribution and creating jobs. The Departments intended to have an intensive consultative process involving all the relevant stakeholders to define ambitious target and identify ideas to reach them and come out with clear detailed 3 feet plans to achieve proposals with defined timelines and committed budget and legal support. The implementation of the outcomes is intended to be a collaborative effort by government and stakeholders

The followed 5 weeks of discussion in different labs held from 24 July to 24 August 2017 and attended by local, provincial and national government and their relevant agencies, business, Non-Government Organisations, Academia, Research institutions including higher learning institutions. On completion of the Chemicals and Waste Phakisa programme, the Department of Environmental Affairs invited businesses, private sector, individuals, entrepreneurs, cooperatives and NGOs to pledge their intention to participate in the Thuma Mina Campaigns named after the call by the president in his maiden State of The Nation Address where he called everyone to participate input towards change in South Africa.

2. KEY OBJECTIVES OF CHEMICALS AND WASTE PHAKISA

During the programme, there were four waste streams namely, Municipal Waste, Bulk Industrial waste, Product Design and Waste Minimization and Chemicals. The groups deliberated on initiatives and came up with 3 feet plans and proposals for budgets with implementation strategy. The key aspirations in each group were as follows:

- Reduce the negative environmental and health impact of waste and risks posed by chemicals
- Increase commercialization of the circular economy and create value from resources currently discarded as waste
- Foster inclusive growth through positioning of South Africa as a globally competitive producer of sustainable products

The Minister of Environmental Affairs and the President together with the Premier of the Eastern Cape Province agreed to launch the outcomes of the chemicals and waste economy together with the Good Green Deeds Programme.

3. THE LAUNCH

The launching of Chemicals and Waste Phakisa coincided with the Good Green Deeds Programme a ground-breaking initiative that seeks to mobilize all sectors of South Africa to become more environmentally conscious, leading a deal for nature. The Good Green Deeds campaign seeks to change people's attitudes, behaviors towards responsible management of waste, and keeping their neighborhoods clean, green and safe.

The objective for the Good Green Deeds Programme is a positive drive towards a clean South Africa which is free of litter and illegal dumping. This is a nationwide environmental programme that proposes a simple but bold blueprint for what we all can do as individuals, organisations, communities and as a nation to bring about the realization of a cleaner and more environmentally presentable country. More emphasis is required in ensuring that the citizens now take a stand against the litter in their neighborhoods and start to clean-up their areas.



President Cyril Ramaphosa and Premier of Eastern Cape

The Programme on Friday, 8th March began with the source to sea initiative cleaning up the beach area,

- Unveiling the Waste Economy Phakisa outcomes
- Visit to a plastic palletisation plant in Fort Jackson
- Mdantsane Park open space greening
- Culminating at the Sisa Dukashe stadium, Mdantsane, in East London on Friday, 8 March 2019. Similar launch activities were planned by the different provinces in response to the President's call to action.



4. LAUNCH FOR CHEMICALS AND WASTE PHAKISA

The president arrived at the East London Convention Centre accompanied by Minister of Cooperative Governance. He was received by Minister of Environmental Affairs and the Director General, Nosipho Ngcaba. The Director General took the opportunity to appreciate everyone who attended and took the president through all waste streams and followed by short presentations by Phakisa Lab leaders on the workstreams with a snap short of the different initiatives – these were:

- ▶ Bulk industrial waste - Dr Jane Molony
- ▶ Cross-cutting initiatives: SMME coordination and consumer awareness - Dr. Henry Roman.
- ▶ Chemicals - Dr. Glen Malherbe
- ▶ Municipal waste - Mr. Tshepo Masilela and Mr. Moudy Mudzielwana
- ▶ Waste minimization – Mr. Quinton Williams

Mr Rudzani Mudau from DPME provided an overview of the Operation Phakisa Programme and Khoro-mmbi Matibe gave presentation on key learnings from the Operation Phakisa on Biodiversity Economy whilst Ms. Nomvula Makgotlhothe and Mr Shakeel Meer gave a presentation on the different support programmes provided by the Department of Small Business Development and the Industrial Development Corporation available to SMMEs and cooperatives. .

5. PLEDGES

The proceedings of the day were preceded by several messages of support from traditional leaders and faith-based leaders. The day did not go without business responding to the invite for pledges toward waste management initiatives and support

Representatives from business and industry who made pledges towards the different initiatives were invited to present their pledges and make commitments. Samsung, Vodacom, Coca Cola, South African Breweries, BEVSA, Packaging SA, Chemical and Allied Industry, and the total investment pledged was R1,4 billion. The President then gave his sign off together with the company's representatives for pledges made to the Chemicals and Waste Phakisa initiatives.

The President was invited to make remarks and offer words of appreciation towards the landmark launch and affirm the commitment of Government to realize the aspirations of the waste economy. Thereafter the President gave his sign off on the Chemicals and Waste Economy Outcomes together with the company's representatives for pledges made to the Chemicals and Waste Phakisa initiatives.



6. MORNING EVENT FOR THE 8TH OF MARCH, 2019 AS PART OF GOOD GREEN DEEDS LAUNCH (INITIATIVE 20).

Date	Venue & Time	Event	Key stakeholders	Led by
8 March 2019	Part 1: East London ICC; 09h30 – 09h45	Phakisa lead presentation and signing of Phakisa Outcomes by President and Ministers Exhibition from various Chemicals and Waste Phakisa initiatives owners and industry players	<ul style="list-style-type: none"> • Government • Relevant Government agencies • Business • Traditional and Religious Leaders • Labour • NGOs • Academia • Media 	DEA, DPME team and Phakisa leads
	Part 1: East London ICC, 09h45 – 09h50	Pledges and launch of the Chemicals and Waste Operation Phakisa Outcomes and 3 feet plan by the President.	Same key stakeholders as above.	DEA Ministry and Presidency
	President and delegation depart. Drive from East London ICC to Fort Jackson			
	Part 3: Afriwaste, 2 Indwe Road, Fort Jackson, Mdantsane, 10h05 – 10h30	Showcasing of one of the initiatives (initiative 9): Material recovery facility and plastic palletization	President, Ministers, MECs, BCM Mayor and Municipal Manager, with Selected group.	DEA, IDC and Afriwaste team

END

7. VISIT TO AFRIWASTE GROUP - FOUNDER: MRS PHUMEZA CESHEMBA

Mrs Phumeza Ceshemba (38 years), a young black female entrepreneur who is has been operating informally from her backyard recycling used plastic drums and converting them into pot-plants and water drums that are then sold in the rural areas. The initial business activities were very small in nature and have also been restricted by the unavailability of these plastic drums as the chemical companies have become more stringent in the ways that they dispose these.

No records were kept and no financial statements were available for this operation at the onset. Mrs Ceshemba became progressively more interested in expanding her recycling activity into more general plastic recycling activities. Mrs Ceshemba now holds a waste management licence issued by Provincial Department of Economic Development and Environmental Affairs.



8. HISTORY OF AFRIWASTE GROUP

It was originally founded in 2015 as Sbongukhanyo (Pty) Ltd, and in November of 2016 it was changed to Afriwaste Group after it was granted funding by IDC.

A gap in the market arose after the recycling plant comprising of a wash plant and pelletizing machines, of Coastal Recycling (Pty) Ltd was destroyed by fire in June 2014. Coastal Recycling used to collect waste plastic and wash it for companies that convert it into pellets. The main director of Coastal Recycling, an elderly gentleman – Jimmy Earl, has restarted recycling activity but has now limited that to the recycling of clean plastic into pallets. Coastal recycling was restarted with the assistance of an interest free Polyco loan and money Jimmy Earl got from the sale of the property from which the previous business operated from.

Sbongukhanyo as was initially known and the brainchild of Ms Ceshemba (now known as Afriwaste Group) saw an opportunity to fill the gap left by Coastal Recycling, as they now service a limited market due to the limited clean plastic they can source, by investing in a recycling facility that will have the ability to wash even the dirty plastic and thus reducing the waste in the landfill sites.

This then led to Sbongukhanyo approaching the IDC to seek funding for the recycling plant which includes a wash plant, a pelletizer and a truck to collect the waste and deliver the products; and the working capital requirements. The shareholders invested R100k in the business since the company was founded and are not in the position to make any further contributions to the business.

Afriwaste Group is a proudly South African, 85% black female (Ms Phumeza Ceshemba) owned which is in the waste management industry based in East London, Eastern Cape. 15% owned is by Workers Trust which comprises 80% women, 15% men and 5% people living with disabilities. Afriwaste has managed to create 26 direct jobs meanwhile 5 Co-operatives and over 50 SMME" s form part of their suppliers.



9. CHALLENGES AND GOVERNMENT INTERVENTION (NATIONAL AND PROVINCIAL)

During the visit by Minister on the 28th of February 2019, Mrs Ceshemba signed several challenges, which included the water treatment and supply to the wash plant as well as the financial exposure and ability to sustain the operations due to company's balance sheet not in a good state due to delayed productions..

Following the visit by the President, the MEC of DEDEA instructed officials to assist Afriwaste Group through the provincial SMME fund. The proposal and application for financial assistance to the amount of R 3 million has been submitted and considered by the Department. The R3 million will be utilized to support Afriwaste Group with equipment, bailer, weighbridge, machine spares, rent, salaries, tools and loading truck.

The Minister of Environmental Affairs and Provincial MEC for DEDEA have made a commitment to support Afriwaste Group and assisting in solving their challenges over the coming year.



Pic 4: His Excellency, Mr Cyril Ramaphosa and Minister of Environmental Affairs, Mrs Nomvula Mokonyane shown the final product by Mr and Mrs. Ceshemba of Afriwaste Group.

The recycling of plastic waste is an important initiative of the Operation Phakisa Chemicals and Waste Economy and hence the demonstration of the Afriwaste plastic palletization plant (Initiative 9).

CHEMICALS AND WASTE PHAKISA - 3 FEET PLANS

This spreadsheet contains the 3 feet plans for all initiatives defined in the Chemicals and Waste Phakisa, which was conducted from 24th July to 24th August 2017

Original lab workstream	#	Initiative	Details
Bulk industrial	1	Ash for bricks	Increase Ash uptake for alternate building materials
	2a	Soil amelioration	Accelerate innovation and commercialise existing R&D: Use ash as soil ameliorant
	2b	AMD and backfilling	Accelerate innovation and commercialise existing R&D: Use ash to treat acid mine drainage and back-fill mines
	3	Ash export	Export ash and ash products
	4a	Sewage sludge AD	Zero sewage sludge to landfill: Anaerobic digester
	4b	Sewage sludge FBR	Zero sewage sludge to landfill: FBR thermal plant
	5	Meat waste	Towards zero meat production waste to landfill
Municipal	6	E-waste levy	Introduction of an e-waste levy to increase collection rates
	7	Gvt e-waste stockpiles	Unlocking government ICT legacy volumes
	8	Separation at source	Achieving a minimum of 50% of households separating at source by 2023
	9	MRF and palletisation	Introduction of materials recovery facilities and palletisation plants to increase plastic recycling rates
	10	C&D recycling	Produce building aggregates and construction inputs from rubble and glass
Waste minimisation	11	Agri platform	Developing capacity through a specialised programme which upskills agri-stakeholders to minimise food loss
	12	Ugly fruit Awareness	Consumer awareness campaign to use and consume ugly fruit
	13	Packaging guidelines	Compilation/update of packaging design guidelines
	14	Packaging EPR	Formalising the packaging industry producer responsibility plans
	15	RDF	Establish a refuse-derived fuel plant
Chemicals	16	Refrigerant reclamation	Establish a refrigerant reclamation and reusable cylinder industry
	17	Lead-free paint	Promote safe production of lead-free paints
	18a	Mercury stockpiles	Collect and dispose stockpiles of harmful substances: Mercury
	18b	Asbestos stockpiles	Collect and dispose stockpiles of harmful substances: Asbestos
Cross cutting	19	SMME coordination	Coordinate SMME development opportunities across initiatives
	20	National Awareness	Rollout national awareness campaigns

10. KEY LEARNINGS

Throughout the planning for the launch and the implementation of the launch it was very important to acknowledge the following:

- Team work in planning
- Communication
- Leadership Support
- Stakeholder Engagements
- Time Management

11. WAY FORWARD

The launch of the Chemicals and Waste Phakisa has opened doors for opportunities to collaborate with stakeholders. Efforts that has been demonstrated by companies, NGOs, Cooperatives, Industries and individuals including entrepreneurs during the programme demonstrate there is future in waste management. There has been calls for Department of Environmental to be available in community projects specially to support with readily available resources and materials for training and awareness and this influence immediate coordination of communities. There are opportunities in all waste streams and it is important that Department support initiatives that are proposed by various organisations.

The Department should focus on integration of smaller businesses within programmes that are proposed by bigger industry players. Outcomes of the Phakisa programme demonstrate that there are opportunities for skilled graduates within all waste streams and industry must find opportunities for graduates and integrate them

Smaller businesses are required to submit more information for grants and funding which still hinders business opportunities in recycling and it is key that companies that are able to support community organisations and individuals participate in DEA programmes to create awareness on their efforts to assist community and job creation.

12. CONCLUSION

There have been many participants in the Chemicals and Waste Phakisa Programme from initiation to the launch of the programme.

- The President emphasised the need for municipalities to have Waste Management Strategies and play an enabling role to attract investment in their communities. Business has raised concerns on delays on communication and engagements with municipalities where they intend to invest and support communities and the department will need to ensure that there is clear strategy to attract investments without barriers.
- Department must consider proposals for partnering since most projects will be launched at national and provincial level and there is a need of localised partners who will be the custodians of initiatives. There are role players who pledged support and there will be a need to coordinate support in communities. Department may not have capacity however support and endorsement for programmes in support will enhance investment

The Department wishes to acknowledge and thank all participants, many who left their offices to contribute to the success of the Chemicals and Waste Phakisa Launch. Engagements on ideas and opportunities that will enhance clean environment and job creation will be pursued further.

THANK YOU

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