the journey
2010/2011

Plastics | SA
The Journey of Plastics | SA

There is little doubt that we are living in very exciting and challenging times. 2011 saw changes in all spheres of our lives – financially, politically, economically and socially.

This past year democratic reformation has taken place in numerous governments around the world, including Egypt, Sudan and more recently Libya. Financially speaking, the global economy is still on a roller coaster ride. Above all, the world population of humankind went through the 7 billion mark.

Closer to home, the voices of the unemployed youth in our country continue to grow louder, the need for job creation being more urgent than ever. Recent news reports have shown our president getting tough on some errant ministers, suspending the head of the police force and Julius Malema of the ANC South League. Durban is preparing to host the 17th Global conference on Climate change (COP-17).

At Plastics | SA we face our own challenges and changes. On the one hand we were reacting to pressures and deadlines, at the same time we are also trying to anticipate how best to deal with and to influence the future and important roleplayers.

By our latest estimate, the local plastics industry employs approximately 65 000 people, converting 1.350 million tons of plastic with a contribution to GDP in the order of R45 billion.

The past year saw us commission a project to overhaul the old Plastics Federation of South Africa (PFSA) which was seriously in need of a facelift. The results are clearly evident:

We have a new Executive Director in the form of Anton Hanekom who has risen to the task with aplomb. Anton was instrumental in revamping the organisation and developing its renewed vision, mission and strategic plan.

We now have a new constitution – a new name, a new logo and brand identity and a real sense of purpose.

Monya Vermaak was appointed as the Marketing and Communication Executive of Plastics | SA and is tasked with the responsibility of ensuring that Plastics | SA becomes more relevant to its stakeholders by promoting the real benefits of plastics to the public at large and the media.

Kirtida Bhana also recently joined the team as the new Training Executive who will take Plastics | SA’s training programs to a higher level and ensure that the training courses are relevant to the industry’s needs.

During this year Douw Steyn, Director Sustainability established the Sustainability Council, which comprises of the polymer groups and the retail industry which will drive the plastics industry’s sustainability initiatives.

Our funding model has been overhauled. Thanks to the three local Polymer producers, (Safripol, Sasol and Hosaf) and some of the importers we now have a funding plan on the table that will enable us to “tell our story” to a wider audience in a way we have not been able to do in the past due to the lack of funding and financial constraints.

The most important feature of our governance has also changed. The old Federal Council which comprised of representatives who looked after their organisation’s interests, was replaced by an elected board that is charged with looking after Plastics | SA’s collective interests. We see our primary task as that of enabling a vibrant and sustainable plastics industry in South Africa:

- Valued and respected by local and international industry, customers, suppliers, government, community and employees;

The manufacturing sector is key to the creation of sustainable jobs in our country. We urgently need to move away from an economy where we are reliant on primary industries such as mining and farming into an economy where manufacturing is the dominant contributor. As part of this process we will work to grow exports and work to reduce manufactured imports with a view to growing employment in an environment where our stakeholders and citizens can rightfully be proud of their country, our industry and themselves.

This is an enormous task that we have set ourselves. Our success will be determined by the extent to which you support us and get involved at both the Plastics | SA level and in your own company. We know we can count on your support!

Chairperson’s message

“Success is simple. Do what’s right, the right way, at the right time.”
- Arnold H. Glasgow

Jeremy Mackintosh
Chairperson

The Journey of Plastics | SA
I would like you to join me on a journey, I call it the Plastics | SA Journey. I’m not in the position to make you believe that we will reach our destination without any obstacles on the road, but I can assure you that it will be an exciting and challenging journey.

We have a roadmap and GPS system (our revised vision, mission and strategic plan) to show us the way. We will be driving a brand new vehicle (the new Plastics | SA logo) that is dynamic, energized and vibrant.

Take a look at the picture on page 8! Do you see the red car, the building, a lady with a shopping trolley and the boy playing with a ball? Plastics are used everywhere these days. They help to make our lives easier, safer, more convenient and more enjoyable. Think about the clothes we wear, the houses we live in, and how we travel. Do you see the aeroplane? The boat? Think about our leisure pursuits. Look around - do you see the satellite dish? Our televisions, the computers we use and the CDs we listen to. Whether we are shopping in a supermarket, having major surgery or merely brushing our teeth, plastic is part of our lives!

The building also represents government, which has identified the plastics industry as one of the areas of growth. Government is also one of our key target audiences where we need to influence the key decision-makers that affect our industry’s policies and strategies.

In the foreground on the left, you’ll see a group of people, representing Plastics | SA’s communication and marketing focus area. Our aim is to tell the plastics story to the media, other role players and the general public, to gain more support for plastics as a material and to break down misconceptions. The satellite also represents the usage of mass media to communicate our messages. So is the man on the bench reading the newspaper.

Next to him are our eco-warriors with the environment bags, our volunteers who recycle and who are part of our clean-up and recycling events. One of Plastics | SA’s key messages for communication is: Plastics is reusable and recyclable - too valuable to waste.

The building blocks with the flag, indicate our commitment to building relationships with industry, pressure groups and other role players. It also indicates the growth of the industry. Together we are stronger and can resolve industry issues through unified action.

Next to the road in front of the building blocks you’ll find learners attending a lecture. They represent Plastics | SA’s quality and accredited training programmes and services to the plastics industry by trained and experienced professionals.

The pedestrians are our members who are pro-active and bold, geared for the challenges we face today such as reducing CO2 emissions, using energy more efficiently, climate protection, waste management and the management of scarce natural resources.

Thanks for embarking on this journey with me.

On behalf of Plastics | SA, I am pleased to share with you this review document. The achievements presented in this report reflect the extraordinary level of commitment of Plastics | SA, working in partnership with the plastics industry, to promote the industry as a whole and plastics as a material of choice.

I would like to thank our staff members who have contributed to the success of the new Plastics | SA and its focus areas.

Thanks to our Board members, the Sustainability Council members and others who have ensured that Plastics | SA continues to thrive and to deliver on its mission.

Anton Hanekom
Executive Director
Mobile phones, TV’s, computers, calculators, cars and water bottles to name but a few. Our modern lifestyle would simply not be possible without plastics. The plastics industry provides essential materials to many sectors including, automotive, aerospace, defence, healthcare and pharmaceuticals, consumer products and cosmetics, agriculture, food industry, mining and resources, building and infrastructure, packaging, construction and consumer appliances. The industry’s product and process innovations contributes to the quality of life enjoyed by all South Africans.

At the end of their useful life, plastics offer various ways of recovering their value, they are simply too valuable to be thrown away.

imagine...

Life without plastics

53% of the new Airbus is made out of plastic.

The shelf life of an English cucumber is extended by 333% (from 3 - 14 days) when it is packaged in a mere 1.5 grams of plastic wrap.

100kg of plastic, in a car weighing 1 000kg, ensures a fuel saving of up to 7.5%.

27% less apples are discarded when they are packed in a shrink wrapped tray as opposed to when they are sold loose.

55% less greenhouse emissions are released into the atmosphere thanks to the use of plastic bottles in the wine industry.

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27% less apples are discarded when they are packed in a shrink wrapped tray as opposed to when they are sold loose.

55% less greenhouse emissions are released into the atmosphere thanks to the use of plastic bottles in the wine industry.

Imagine...
Who are we?

Plastics SA, the umbrella organisation for the plastics industry in South Africa plays an active role in the growth and development of the South African plastics industry. Together with our associations we strive to address plastics related issues, influence role players, and to make plastics the material of choice.

Our new visual identity clearly identifies us with both the local and global markets. The new identity also aims to represent recent changes in the organisation’s senior management, structure, vision and strategic direction.

Why these changes?

During the past three years, the local and international plastics landscape has undergone dramatic changes and developments. A greater demand to be environmentally responsible and sustainable, an acute awareness of consumer health and safety, tougher economic conditions and new entrants to the plastics markets have all had a dramatic impact on the way business in the plastics industry is being conducted and the way in which the plastics story is being communicated.

Our vision

To enable a vibrant and sustainable plastics industry in South Africa:
• Valued and respected by local and international industry, customers, suppliers, government, community and employees;
• Promoting the use of plastics as the material of choice;
• Developing the skills needed through accredited training programmes;
• Supporting environmentally responsible actions that benefit industry and society.
Our focus areas

- **Advocacy**: accessing and influencing key decision-makers, policies and strategies that affect our industry.
- **Communication**: relevant industry issues will be shared with industry role players and the media.
- **Research**: acquiring and compiling industry statistics, as well as research of strategic interest to the industry.
- **Training**: developing a new qualification framework and career paths to meet the needs of the plastics industry, as reflected in the strategic development strategy. Courses are NQF aligned and include up to NQF Level 10.
- **Sustainability**: providing strategic leadership to the thrust and environmental activities of the polymer groups.
- **Member Services**: are provided to companies who belong to their respective industry associations and pay the required dues.

Our purpose

Plastics | SA has set itself the task of creating a vibrant and sustainable industry. To achieve this, our industry demands leaders who are willing to change, adapt and embrace the challenges to grow our plastics industry as the leader across the African continent.

Plastics | SA operates from three centres: the Head Office in Midrand, Gauteng and the two regional centres located in Pinetown, Kwa-Zulu Natal and Maitland, Cape Town.

**Number of Employees at Plastics | SA**
- Total number: 29
- Gauteng: 18
- KZN: 6
- Cape Town: 5
meet the team

Herewith the people who contributed to Plastics | SA’s success.

Plastics | SA Board 2010/2011

Plastics | SA is the umbrella organisation for the plastics industry and is governed by the Board.

Jeremy Mackintosh
Chairperson, representing PCA
MD, Polyoak

Bernhard Mahl
Vice Chairperson, representing Safripol
Commercial Director, Safripol

Jan Venter
Vice Chairperson, representing SAPPMA
Consultant

Philip de Weerdt
Representing PCA
Managing Director, Nampak Rigid

André Botha
Representing Sasol Polymers
General Manager, Chlor Vinyls

Bob Bond
Representing PIASA
Centre Manager, Institute for Advanced Tooling, Tshwane University of Technology

Matthew Cockram
Representing SAWPLAS
Managing Director, Plastic and Chemical Trading

Louwtjie de Jongh
Representing PCA
Managing Director, Mpiact Plastic Containers

Anton Hanekom
Representing Plastics | SA
Executive Director, Plastics | SA

Ntombi Blou
Representing PCA
HR Director, Ampaglas Plastics Group

Marinus Sieberhagen
Representing Sasol Polymers
Managing Director, Sasol Polymers

Douglas Greig
Representing SAFRO
General Manager, Tuffy Manufacturing

Charles Muller
Representing PCA
Group Marketing Director, Astrapak

Mike Myers
Representing EPSASA
Consultant

Cheri Scholtz
Representing PETCO
CEO, PETCO

Ivan Ortlepp
Representing PSPC
Managing Director, Linpack Packaging

Tim Stewart
Representing PCA
Managing Director, ITB Manufacturing

Douw Steyn
Representing Plastics | SA
Sustainability Director, Plastics | SA

Clive Robertson
Representing ARMSA
Consultant
"We are guided by a strong commitment to Plastics | SA and the plastics industry. We value honesty and integrity in all our relationships, dealings and transactions. We believe in treating all people with respect and dignity. We are driven to lead Plastics | SA, not being afraid to take risks and pioneering our future and others to help the plastics industry grow beyond existing boundaries."
The Sustainability Council

Sustainability is one of six core functions of Plastics | SA, providing strategic leadership to the industry on sustainability issues, consistent with the revised vision for the organisation. The Sustainability Council comprises of the polymer organisations, namely: PETCO, the PET Recycling Company; POLYCO, the Polyolefin Recycling Company; SAVA, the South African Vinyls Association; PSPC, the Polystyrene Packaging Council; MPLF, the Multi-layer Packaging Forum; and SAPRO, the SA Plastics Recycling Organisation (more detail on Sustainability Council members on page 18).

The work of the Sustainability Council is organised according to the following technical sub committees:

- Electronic Waste
- Marine Debris
- Plastics Education
- Container Management
- Clean-up Events and Support
- Position Papers
- Recycling
- Energy efficiency
- Waste Management

“Plastics | SA has been mandated to ensure a vibrant and sustainable plastics industry in South Africa. The plastics sector is uniquely placed to meet the needs of a sustainable society and to deliver solutions to many challenges such as climate change, water scarcity, resource usage and energy recovery.” – Douw Steyn, Director Sustainability, Plastics | SA
Highlights

Electronic Waste
As part of a broader campaign for the responsible disposal of e-waste Plastics SA, in partnership with the eWASA - e-Waste Association of South Africa, support the recycling of electronic waste. An e-waste collection drive was organised by eWASA in Gauteng on Saturday, 19 November 2011. The aim was to encourage the public to recycle old and unused electronic and electrical equipment at the 24 designated drop-off points across Gauteng.

Plastics Education
The Sustainability Council targeted educators, learners and the community to increase awareness applications, of the usage of plastics and plastics recycling.

One of the highlights of the year was the involvement at the annual SASOL TechnoX Science, Maths and Technology exhibition at Sabsburg from 16-19 August 2011. More than 23 000 educators and learners visited various exhibitions and workshops.

Plastics SA presented interactive workshops throughout the day for Grade 8-12 learners that focused on: Where do plastics come from, meaning of the polymer codes, how to identify plastics as well as burning of plastics samples to identify it by way of smell. The stand was also awarded second place in the category – Best exhibition: Business.

Marine Debris
- Marine litter is a global problem and requires global sustainable solutions. Representatives of plastics organisations from around the globe, including Plastics SA, all signed a Global Declaration for Solutions on Marine Litter at the 26th annual International Ocean Clean-Up Day in conjunction with the Ocean Conservancy, sponsors and corporate participants. This year saw John Kieser (National Coordinator and Sustainability Manager at Plastics SA) and Wayne Munger (KZN Wildlife) coordinate 21 763 volunteers collecting a staggering 70 tons of debris from our country’s beaches, covering a distance of over a thousand kilometres. Underwater clean-ups also took place with the support and sponsorship of Electrolux and help of 154 divers in the Western Cape who had volunteered their time to clean 1 687 kg of debris from the ocean’s floor.

Clean-up and Recycling Events

Plastics SA has increased its commitment to combat littering in South Africa and together with the Sustainability Council and other organisations has stepped forward as the main sponsor for Clean-up SA week in South Africa including the Two Oceans Marathon and the Cape Argus Cycle Race.

1. Cape Argus/PicknPay Cycle Race
The Plastics Industry and its intrepid team of eco-warriors once again helped to put the focus on recycling during this year’s Cape Argus/PicknPay Cycle Race and the Two Oceans Marathon.

This was the fourth year that the Plastics industry was involved with the race. The team educated cyclists and runners about the importance of not littering at the exhibitions prior to the races. A team of 100 community members from the Masiphumelele township near Noordhoek assisted as part of the Clean-Up and Recycling team.

This strategy, known as Event Greening, is about making socially and environmentally responsible decisions when organising or participating in an event. The greening of events contributes to a cleaner and greener South Africa.

2. Clean-Up South Africa Week
This year, Plastics SA once again called on South Africans of all ages and backgrounds to do their share to keep our country beautiful during the entire month of September. Local communities, schools and groups throughout South Africa were encouraged to plan and host their own clean-up and recycling activities during Clean-Up South Africa Week, which took place from 12 - 17 September 2011, culminating in the National Recycling Day on Friday, 16 September 2011 and the 26th International Coastal Clean-Up Day on Saturday, 17 September 2011.

The aim of Clean-Up South Africa Week was to raise awareness so that everybody can make a difference by keeping South Africa clean and litter free. The Clean-Up South Africa Week focuses on the importance of individual efforts.
3. Best Recycled Product Competition

Plastics | SA once again joined hands with the South African Plastics Recycling Organisation (SAPRO) this year, hosting the second annual Best Recycled Product Competition. The winners of this year’s competition were announced at a gala awards dinner that took place on Thursday, 15 September 2011 in Johannesburg.

The competition formed part of Clean-Up South Africa month, an initiative of Plastics | SA that encourages South Africans to clean-up and recycle in their communities, in their schools and where they work.

The aim of the competition was to acknowledge products that are made from post-consumer recycled materials and to encourage brand owners and industrial designers to consider recycled plastics as a material of choice.

Submissions were invited in three product categories, namely products made from 100 % recyclate, product containing a certain percentage post-consumer recyclate, and products made from a mixture of post-consumer recycled materials. The organisers and judges were thrilled with both the quality and quantity of the entries received this year, proving that the plastics recycling industry is growing in size, sophistication and value.

The evening clearly belonged to Polypet which was awarded the PACSA Trophy for the Best Recycled Product of the Year for its 1.5 liter cool drink bottle manufactured for Woolworths, which impressed the judges with its recycled content and consumer acceptance.

Buyisa-e-bag

A new chapter in South Africa’s plastics waste management history began in June this year, following the Department of Environmental Affairs’s request to wind up the operations of Buyisa-e-Bag, a section 21 Company that was formed in 2004/5 as a result of the decision to regulate plastic bags in South Africa.

The primary aim of this parliamentary monitoring group was to develop entrepreneurs and create sustainable opportunities in the recycling and waste management sectors. As part of this focus, plastic bag manufacturers had to pay a levy of 4 cents per bag to SARS. This money could be accessed by Buyisa-e-Bag via the Department of Environmental Affairs to build buy back centres and promote plastic bag recycling.

The local plastics industry has come a long way since the first discussions took place 8 years ago around the issue of carrier bags and visible plastics litter. Since then, various specialised polymer groups were formed within the industry to address and promote the recycling of all forms of plastic (not only plastic carrier bags) in a way that is environmentally responsible and sustainable.

Plastics | SA are optimistic that the winding up of Buyisa-e-Bag will create other opportunities for the plastics industry to fulfil its extended producer responsibility and that it will enable us to develop strategies that are best suited to the consumer and the manufacturer’s needs.

Other highlights

- 700 000 bags for clean-up events were sponsored in 2010/11, by Enviromark. Special thanks to Astrapak, Tuffy Brands and PicknPay for their support.
- Extensive Media coverage was received for litter awareness - R1.5 million.
- 2 400 learners participated in the Plastics Schools Competition 2010.
- 81 000 volunteers participated in the Clean-up SA Week 2011.

The way forward

At the Sustainability Council workshop in September, the council members identified the focus areas for 2012.

The Journey of Plastics | SA
The plastics industry was identified as one of the growth areas on which government is planning to focus its resources and attention. In order to become truly globally competitive, the Plastics Industry needs to address certain challenges. Specialist engineers (beyond first degree) are reportedly not produced in a quantity that is sufficient for the growth of the plastics industry. Similarly, at an operations level, mould-setters and plant operators are also in short supply due to new competency demands arising from innovation and technological development. The availability of trained and experienced artisans remains of critical importance to the industry.

The plastics industry makes a significant contribution to our economy and plays a part in virtually every sector of the economy, providing vast quantities of materials for industries such as IT, automotive, stationery, furniture, medical to name a few. With the assistance of government we will be able to develop our own manufacture capacity to reduce importing products from overseas, using our own raw material as well as our own skills and workforce instead.

Focus areas for 2010 / 2011
National Skills Development Strategy III (NSDS III)
The new NSDS III was launched in January 2011 by the Department of Higher Education. The key driving force of this strategy is improving the effectiveness and efficiency of the skills development system. The strategy represents an explicit commitment of encouraging the linking of skills development to career paths, career development and promoting sustainable employment and in-work progression.

The strategy places great emphasis on relevance, quality and sustainability of skills training programmes to ensure that they impact positively on poverty reduction and the eradication of inequalities.

Industry workshops to discuss plans for the Industrial Policy Action Plan (IPAP)
The Plastics unit within the Department of Trade and Industry and Plastics | SA in collaboration with other government departments and key stakeholders, facilitated 3 Provincial workshops aimed at finalising the draft strategy and action plan for the development of the Plastics Industry as identified in the National Industrial Policy Framework (NIIPF). An Industrial Policy Action Plan (IPAP) was developed to outline key action programmes that will be implemented to achieve the objectives of the NIIPF.

Regional workshop to establish skills needs
The Plastics Chamber at merSETA, with the support of Plastics | SA, held a series of regional workshops around the country in order to establish future skills needs in the industry and to design an Integrated Qualification Framework, a first for the Plastics Industry.

The subsectors that were mapped during the workshops were:
- Packaging
- Engineering
- Industrial Rubber
- Composites
- Thermoplastic fabrication
- Recycling.

The main objective of this initiative was to map the industry to get a clear idea of the occupations that exist and their details, the skills shortages and job vacancies within the industry. From this a value chain was established for each subsector.

Workshops were held in Durban, Cape Town, Port Elizabeth and Gauteng to involve industry professionals and to clarify and validate the relevancy of each value chain to its subsector.

“Plastics | SA provides quality and accredited training and education services to the plastics industry and related sectors through sub-Saharan Africa, ensuring that the needs and demands of the plastics industry are met with excellence by trained and experienced professionals.”
– Kirtida Bhana, Training Executive, Plastics | SA
3. Mould maker – The Setter is responsible for setting up the manufacturing equipment and responsible for fault finding.

4. Polymeric Fabrication Inspector – This is a new area in the polymeric fabrication sector. Currently these inspections are conducted by metal inspectors with very little polymer knowledge.

Promoting career opportunities
Another objective of Plastics | SA Training is to promote the career opportunities that exist in the plastics industry, as many people find themselves in jobs in this industry, almost by accident. Plastics | SA is hoping to change the situation by marketing the industry’s technical career opportunities to learners in order to attract the right people.

The information will also be available electronically to assist industry companies recruiting for a position and will provide information on the additional skills needed by a candidate, the specific qualifications required for each position and will offer career guidance for their recruits.

The initiative is aimed at creating an industry and skills development plan that is quantifiable, measurable and will lead to job creation.

Scarc and Critical Skills
Priority skills for the Plastics industry
1. Plastician – This is a key skill for the industry as there are not many qualified Plasticians in the industry. They are crucial for the manufacturing process.
2. Setter – The Setter is responsible for setting up the manufacturing equipment and responsible for fault finding.
3. Mould maker – We need qualified mould makers. The tool, mould, die or forming device is a crucial part of the manufacturing process.

Other training highlights
Training deaf students
Plastics | SA has embarked on a 1 year pilot project with Whisper Boat Building Academy (WBBA) to train 30 deaf students of the Cape Town Boatbuilding and Technology Initiative (CTBi) in the art of working with composites. According to the (CTBi), 40 percent of young South Africans between the ages of 16 and 25 are unemployed and do not attend school. Disabled youngsters face even greater obstacles as there are not many opportunities or job facilities that cater for their specific needs.

There is a tremendous shortage of skilled labour in the Western Cape boat building industry and the deaf students of the Whisper Boat Building Academy are a welcome relief in this shortage. The Manufacturing, Engineering and Related Services Education and Training Authority (merSETA) has thus given this initiative its vote of confidence by signing a Memorandum of Understanding, committing itself to funding the full tuition costs of the 30 students recruited by Plastics | SA.

Training of the first group of students started in July 2011, with the help of a full-time sign language interpreter. Classes consisted of class-room based training combined with workplace experience, presented as individual Skills Programmes. The first group of successful learners are about to graduate after six months training and will be issued with a Plastics | SA Certificate of Competence in Lamination.

These students will be able to provide an honest income for themselves and their families and will be equipped with qualifications, skills and a trade that is in high demand and crucial to the economy. They will be able to work in a variety of fields in the plastics industry, ranging from working as laminators for boat builders, to swimming pool builders, canopy builders and in other composite fields.

Training statistics
Gauteng  1098
KZN  1029
Western Cape  292
Total  2419

Most attended programmes
- Thermoplastics Welding
- Basic Raw Materials
- Advanced Injection Moulding
- Advanced Raw Materials
- Principles of Quality

The Cape Town Boatbuilding and Technology Initiative will also assist students with job placements once they have graduated.

First learners to be trained in the Eastern Cape
A Service Level agreement was signed with LumoTech to train 18 learners in Uitenhage. This programme will be extended with another group of 20 learners next year.
“Plastics|SA embraced the power of the media the past year as part of its efforts to educate the public about the plastics story. Despite a small budget for marketing and communications, we have managed considerable exposure in local trade publications, daily newspapers, radio and television throughout the year.

The rand value of the articles published, focusing on Plastics|SA and the plastics industry, quoting our press releases and our spokespeople, has amounted to nearly R1.8 million for the past 9 months from February - October 2011.”

– Monya Vermaak, Marketing and Communications Executive, Plastics | SA
New brand name and logo

The Plastics Federation of South Africa (PFSA) has officially changed its brand identity during this year as part of its aim to represent a South African plastics industry that is dynamic, modern and in step with international developments.

Launch of the PlasticsISA Communicator

The new PlasticsISA Communicator, based on G6 technology, was launched in September and will be used to improve multi-way communication within the plastics industry. The user receives all the industry information needed on a daily basis on the desktop.

A key feature of the Communicator is that the user can personalise the information he / she would like to receive, ensuring that the user stays informed without information overload.

Other Highlights

Plastics|SA Newsletter
4 editions of the Plastics|SA Newsletter was published, 40 000 copies were distributed to various stakeholders.

Events

The External launch of PlasticsISA at the regional centers took place on:

- Gauteng: 21 September 2011
- KZN: 22 September 2011
- Western Cape: 27 September 2011

Plus minus 140 key customers and stakeholders attended the cocktail functions where an overview of Plastics|SA and the new direction were discussed.

Website Overview – www.plasticsinfo.co.za

Dashboard - Jul 1, 2010 - Jun 30, 2011

Site usage

- 29,198 visits
- 98,271 pageviews
- 3,37 pages/visit
- 30.97% bounce rate
- 00:03:03 average time on site
- 70.37% new visits

Visitors overview

- 20,839 visitors

Web enquiries

Most enquiries were about recycling / where to recycle.

New website for Plastics|SA

Plastics | SA is in the process of revamping the website, to be more user-friendly and in step with modern trends.

The Way forward

Plastics|SA identified Marketing and Communication as one of key focus areas for 2012 and beyond. A new Marketing and Communication strategy will be developed in order to manage the Plastics|SA brand and the plastics industry’s reputation, sharing relevant industry issues with industry roleplayers, and industry news to the media and the general public to clarify misconceptions and to tell the plastic story.

The Journey of Plastics | SA
Plastics | SA offers you and your organisation the opportunity to play an active role in the growth and development of the plastics industry. Together with our associations we can address plastics-related issues, influence role players, and make plastics the material of choice.

Plastics | SA Board
The Board governs Plastics | SA and comprises of the following associations.

**RAW MATERIAL SUPPLIERS AND IMPORTERS**
- Safrisol (Pty) Ltd
- Sasol Polymers
- Hosaf
- 2 IMPORTERS AS NOMINATED AND ELECTED

**OTHER**
- PCA Plastics Converters Association of SA
- ARMSA Association of Rotational Moulders of South Africa
- PISA Plastics Institute of Southern Africa
- EPSASA Expanded Polystyrene Association of South Africa
- SAPPMA South African Plastic Pipe Manufacturers Association

**Sustainability Council**
The Council provides strategic leadership on sustainability issues and comprises of the following associations.

**POLYMER GROUPS**
- PET Recycling Company
- Polyolefin Recycling Company

**MULTI-LAYER PACKAGING FORUM**
- Multi-layer Packaging Forum

**RECYCLING ASSOCIATION**
- SA Plastics Recycling Organisation

Plastics | SA is registered as a Section 21 company, association not for gain and is funded by grants based on sales of locally manufactured plastics raw materials and contributions from other associations.
Why should you join?

Are these questions you often ask yourself or your team?
• Where can we find more information about the industry?
• What are the regulatory changes that will affect our organisation?
• How can we make sense of the new legislation?
• How can we get our views across to national, provincial and local government and municipalities?
• Where can we go to network, to connect to customers, the media and suppliers?

Plastics | SA offers the following benefits to our members

Let your voice be heard
Plastics | SA offers members the unique opportunity to share experience and resolve industry issues through unified action. Influence the South African plastics industry’s strategic direction at all levels from overall policy to standards. The scope also includes liaison with municipalities, government on a provincial and local level, the DTI and the SABS to name a few.

Networking opportunities
Members can participate in exclusive member only networking events including seminars, meetings, conferences and the Annual Awards Ceremony.

A Global Network
Plastics | SA is at the centre of the global plastics community, developing links with plastic industries around the globe, giving members access to global markets.

Plastics Market Information
Members will have access to detailed plastics information, including information on Research and Development, statistics affecting the plastic industry, recycling information and more.

Legislative Guidance
Members will receive up to date information on new legislation, the government gazette, and other regulatory issues.

Receive up to date industry information on your desktop
Via the Plastics | SA Communicator you can receive all the industry information you need on a daily basis. Personalise the information you would like to receive, ensuring that you only receive what you need.

Position Papers
Access official plastics industry position papers on critical and relevant issues regarding plastics as a material and the plastics industry.

Plastics | SA Newsletter
Receive the quarterly Plastics | SA Newsletter keeping members up to date with industry news. Members also have the opportunity to submit industry news to the publication.

Special discounted rates for Training
Plastics | SA is the leading provider of education and training services in the plastic industry and related sectors. We provide quality, accredited training courses throughout Sub-Saharan Africa, especially designed to meet the needs of the plastic industry. All courses are NQF aligned. Members will receive discounted rates for training.

Now is your chance to join the South African Plastics Industry as it takes its rightful place as a world player and influencer.

Let’s all join hands and make our voice heard.
• The plastics chain in South Africa comprises of +/- 2000 companies.
• The plastics industry employs over 65,000 people.
• It is defined as a priority sector by Government.
• The combined turnover of the industry is some R 45 billion per annum.
• Consumption is approximately 1,350 million ton per annum.
• The industry contributes 4% to the overall manufacturing in South Africa.
• Plastic manufacturing contributes to 0.4% of the South African GDP.

International polymer identification code used on products to identify and ensure effective plastic waste sorting and recycling.

The recycling logo indicates that the product is 100% recyclable.

Plastic is versatile, durable and recyclable. It can be reused without any risk to your health or the environment.
## APPARENT POLYMER CONSUMPTION IN SA (1983 - 2010)

<table>
<thead>
<tr>
<th>Year</th>
<th>Tons</th>
<th>% Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>1983</td>
<td>800 000</td>
<td>8.4</td>
</tr>
<tr>
<td>1986</td>
<td>875 000</td>
<td>9.4</td>
</tr>
<tr>
<td>1989</td>
<td>905 000</td>
<td>3.4</td>
</tr>
<tr>
<td>1994</td>
<td>981 000</td>
<td>8.4</td>
</tr>
<tr>
<td>1998</td>
<td>964 000</td>
<td>-1.7</td>
</tr>
<tr>
<td>2000</td>
<td>922 000</td>
<td>-4.3</td>
</tr>
<tr>
<td>2001</td>
<td>911 000</td>
<td>-1.2</td>
</tr>
<tr>
<td>2003</td>
<td>1 030 000</td>
<td>13.1</td>
</tr>
<tr>
<td>2004</td>
<td>1 086 000</td>
<td>5.4</td>
</tr>
<tr>
<td>2005</td>
<td>1 104 000</td>
<td>1.7</td>
</tr>
<tr>
<td>2006</td>
<td>1 143 000</td>
<td>3.5</td>
</tr>
<tr>
<td>2007</td>
<td>1 210 000</td>
<td>5.9</td>
</tr>
<tr>
<td>2008</td>
<td>1 320 000</td>
<td>9.1</td>
</tr>
<tr>
<td>2010</td>
<td>1 320 000</td>
<td>3.4</td>
</tr>
</tbody>
</table>

## APPARENT ANNUAL CONSUMPTION OF PLASTICS MATERIALS IN SA (1995 - 2010)

- **OTHER**:
- **UNSAT POLYESTERS**:
- **UF & MF & PF**:
- **PVC**:
- **PS & EPS**:
- **PP**:
- **POM**:
- **POLYURETHANES**:
- **POLYCARBONATES**:
- **POLYAMIDES**:
- **PET**:
- **PE-LD/LLD**:
- **PE-HD**:
- **EPOXIDES**:
- **ACRYLICS**:

### Tons of Tons

- **1995**: 800 000
- **1996**: 875 000
- **1997**: 905 000
- **1998**: 981 000
- **1999**: 964 000
- **2000**: 922 000
- **2001**: 911 000
- **2002**: 1 030 000
- **2003**: 1 086 000
- **2004**: 1 104 000
- **2005**: 1 143 000
- **2006**: 1 210 000
- **2007**: 1 320 000
- **2008**: 1 320 000
- **2009**: 1 280 000
- **2010**: 1 340 000

### % Growth

- **1996**: 8.4%
- **1997**: 9.4%
- **1998**: 3.4%
- **1999**: 8.4%
- **2000**: -1.7%
- **2001**: -4.3%
- **2002**: -1.2%
- **2003**: 13.1%
- **2004**: 5.4%
- **2005**: 1.7%
- **2006**: 3.5%
- **2007**: 5.9%
- **2008**: 9.1%
- **2009**: 0.4%
- **2010**: -3.4%

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*The Journey of Plastics SA*
Introduction

Plastics recycling continues to grow and exceeded the virgin polymer consumption growth in the last year. There is a strong tendency towards the commodity plastics with a subsequent drop in recycled tonnages of the other materials. The top four materials (PE-LD, PET, PE HD and PP) contributed more than 90% of the overall materials recycled.

Tonnages recycled

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total tons converted</td>
<td>1 280 000</td>
<td>1 340 000</td>
</tr>
<tr>
<td>Total tons recycled</td>
<td>228 057</td>
<td>241 853</td>
</tr>
<tr>
<td>Recycling rate</td>
<td>17.8%</td>
<td>18.0%</td>
</tr>
</tbody>
</table>

There were 194 recyclers operating in 2010. Between them, they recycled 241 853 tons of plastics. This is 6% more than in 2009, whereas the growth in virgin consumption increased 4.7% in the same period, from 1 280 thousand tons to 1 340 thousand tons.

The growth can mainly be attributed to the three most common plastics: PE-LD/LLD increased by 9 073 tons, PET increased 5 985 tons and 3 186 tons more PE-HD was recycled in 2010. Small increases were found for flexible PVC, rigid PVC and Other which is made up of PC, POM, PETG and TPU.

Materials that were recycled in smaller volumes include PS and PS-E, reduced by 133 tons, ABS (180 tons), PMMA (23 tons) and PA (177 tons). Of these, PP showed the biggest decline with 4 386 tons. The demand for recycled PP continued to surpass the supply but the availability of PP materials for recycling declined, i.e. it became more difficult to find suitable PP for recycling. This will continue for 2011 as the soft drink bottle closures are now manufactured from PE-HD where it used to be PP.

The Packaging and Paper Industry Waste Plan submitted to the Department of Environmental Affairs earlier this year stated an overall plastics packaging recycling rate of 35% or 236 000 tons by 2015. The last updated statistics for 2010 indicates that this could be achieved if the current growth rates are maintained.
Out of the 241 853 tonnages recycled, 182 032 tons was packaging. This is an increase of 9.8% which is mainly due to the increase in PE-LD/LLD and PET packaging. Plastics packaging in the waste stream was recorded as 605 000 tons in 2010.

The derived recycling rate for plastics packaging is therefore 30.1%.

Source of waste materials

To determine where the recyclables originated from, only the data from the top 60% recyclers were taken into account. There is a definite change in the source of recyclable plastic waste for 2010. Pre-consumer materials increased 43% and post-industrial materials increased with 50%. Post-consumer and landfill materials dropped by 13%. The 2010 economy was very low and in an attempt to reduce operating costs, recyclers sourced cleaner materials to recycle, therefore the increased figures for post-industrial and pre-consumer materials.

Recyclers are still of the opinion that the largest growth in recycling would be in post-consumer recyclables. The costs of washing and drying are prohibiting recyclers to source any more post-consumer and landfill recyclables. A number of the larger recyclers done some changes to their washing and drying facilities to be able to operate more energy efficient and this will only be visible in the years to come.

Acronyms

Symbols for polymers commonly recycled according to ISO 1043:
- ABS: Acrylonitrile/butadiene/styrene
- PA: Polyamide; commonly known as nylon
- PC: Polycarbonate
- PE-HD: High density polyethylene
- PE-LD: Low density polyethylene
- PE-LLD: Linear low density polyethylene
- PET: Poly(ethylene terephthalate)
- POM: Polyoxymethylene; commonly known as acetal
- PP: Polypropylene
- PS: Polystyrene; commonly known as GP for general purpose
- PS-E: Expanded polystyrene
- PS-HI: High impact Polystyrene; commonly known as HIPS
- PVC-P: Plasticised or flexible Poly(vinyl chloride)
- PVC-U: Unplasticised or rigid Poly(vinyl chloride)
### Income Statement for the year ended 30 June 2011

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>13,837,867</td>
<td>14,625,256</td>
</tr>
<tr>
<td>Other income</td>
<td>591,703</td>
<td>398,836</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(14,405,747)</td>
<td>(14,842,656)</td>
</tr>
<tr>
<td>Operating surplus</td>
<td>23,823</td>
<td>181,436</td>
</tr>
<tr>
<td>Fair value adjustments</td>
<td>777,258</td>
<td>541,784</td>
</tr>
<tr>
<td>Finance costs</td>
<td>(9,545)</td>
<td>(4,426)</td>
</tr>
<tr>
<td>Surplus for the year</td>
<td>791,536</td>
<td>718,794</td>
</tr>
</tbody>
</table>

### Balance Sheet for the year ended 30 June 2011

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Current Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property</td>
<td>5,223,976</td>
<td>5,223,976</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>4,137,306</td>
<td>3,174,957</td>
</tr>
<tr>
<td>Total Non-Current Assets</td>
<td>9,361,282</td>
<td>8,398,933</td>
</tr>
<tr>
<td>Current Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>2,928,515</td>
<td>4,027,363</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>6,537,922</td>
<td>6,032,092</td>
</tr>
<tr>
<td>Total Current Assets</td>
<td>9,466,437</td>
<td>10,059,455</td>
</tr>
<tr>
<td>Total Assets</td>
<td>18,827,719</td>
<td>18,458,388</td>
</tr>
</tbody>
</table>

| Equity                |        |        |
| Equity                |        |        |
| Accumulated reserves  | 16,571,688 | 15,780,151 |
| Total Equity          | 18,827,719 | 18,458,388 |

| Liabilities           |        |        |
| Liabilities           |        |        |
| Trade and other payables | 2,256,031 | 2,678,237 |
| Total Equity and Liabilities | 18,827,719 | 18,458,388 |
We are **Safe** **Reusable** **Recyclable** **Durable** **Lightweight** **Eco-friendly** Plastics

With no threat to your health or the environment

Plastics part of your life with no threat to your health or the environment