

THE DEVELOPMENT OF A SECTION 18 EPR PLAN

As most of you are no doubt aware, Packaging SA, Plastics SA, the various PRO's and other interested parties have been engaging with Government over the past 9 months regarding the proposed Section 18 notice.

As explained in our earlier communication, Section 18 refers to the Extended Producer Responsibility aspect of the National Environmental Management Waste Act (NEMWA) and essentially replaces Section 28 (Industry Waste Management Plans) from 2017. Whilst both Section 18 and Section 28 essentially cover Extended Producer Responsibility (EPR) and material recovery, we welcomed the adoption of a Section 18 process as it allows industry to raise, manage and disburse EPR fees themselves. This was the key disagreement in the IndWMP process, and the primary reason why plans submitted in 2018 could not be approved.

Where are we now?

On 26 June 2020 the Minister of Environment, Forestry and Fisheries (DEFF), Ms. Barbara Creecy, published an amendment to the National Environmental Waste Act in the form of draft Extended Producer Responsibility (EPR) regulations. Members of the public and industry were given 30 days to comment and revert back to her with objections or suggested changes. Once promulgated, the EPR Plan will substantially change the regulatory environment in South Africa, not only for producers and users of packaging, but for our various Producer Responsibility Organisations, i.e. PETCO, Polyco, the Southern African Vinyls Association (SAVA) and the Polystyrene Association of SA.

GOOD TO KNOW



- An estimated 108 million ton of solid waste is generated every year in South Africa. Of this, only 2 million ton is packaging waste (i.e. as plastic, glass, paper and cans).



- More than 50 % of all packaging waste is collected for recycling. Between the period 2011-2018, 46 % of all the plastic produced in South Africa was recycled - making us one of the top mechanical plastic recycling countries in the world.



- The waste economy contributes approximately R2.3 billion to our GDP and provides an income for over 60 000 formal and informal workers.



- The proposed Section 18 EPR will allow Government to identify a product, or class of products, specify EPR measures for this product and identify parties responsible for the implementation of waste management reduction measures associated with these products.



- It will extend the responsibility of producers (any company that makes, imports or sells a product in the South African market) for their products along the entire value chain, from cradle to grave and beyond, using a recognized life cycle assessment process.

Emphasis on the role and responsibilities of PRO's



It will be the responsibility of the various Producer Responsibility Organisations (PRO's) to drive sector-based waste minimisation programmes, manage financial arrangements for funds to promote the reduction, re-use, recycling and recovery of waste; drive awareness programmes and innovate new measures to reduce the potential impact of products on health and the environment.

PLEASE TAKE NOTE OF THE FOLLOWING:

1  **If you make, import or sell a product you are considered a Producer.**

3  **Producers may either join an existing PRO or start a new PRO if no PRO exists, or if the current PRO is unable to address specific products adequately.**

5  **PRO's will have to meet certain minimum criteria to become accredited by the Department.**

7  **The majority of funds raised through EPR fees is expected to be deployed towards supporting the collection and recycling value chain.**

2  **All producers must belong and financially contribute to a PRO for each class of product that they produce or sell.**

"Product" is defined as PET, Polyolefins, PVC, polystyrene or other plastic packaging, tinplate or aluminium packaging, paper and glass packaging.

4  **There will be a formal registration process for both producers and PRO's to ensure compliance.**

6  **PRO's will have to enable a significant increase in recycling rates of the products for which they are responsible**

This will be accomplished by:

- 1.Improving and aligning product design;
- 2.Facilitating post-consumer packaging collection (both formal and informal);
- 3.Enabling and supporting recycling;
- 4.Developing end use markets to consume collected materials.

EXPECTED TIME FRAME FOR IMPLEMENTATION

Once approved and promulgated, producers and PRO's will have 6 months to become compliant. However, the Minister has made it clear that she wants to implement the new regulations as soon as possible, and there is talk that it could be in place as soon as the fourth quarter of 2020. It is likely that the targets for the 1st year and reporting requirements will commence at the beginning of 2021. As currently drafted, the requirements essentially come into effect on the date of publication of the final notice, which could be as early as September 2020.

UNLOCKING THE HIDDEN VALUE OF WASTE

In 2012, the Department of Science and Technology (DST) and the CSIR embarked on a process to develop a Waste Research, Development and Innovation (RD&I) Roadmap to guide South Africa's public and private sector investment in waste RD&I over the next 10 years. The roadmap was published in 2015.

With an investment ask of approximately R3.9 billion over the next 10 years, the successful implementation of the roadmap is expected to assist government and industry in significantly increasing the diversion of waste away from landfills towards value-adding alternatives, through more effective decision-making, faster insertion of context-appropriate technology, strengthened RD&I capability and capacity and the transfer of know-how and technology.

The vision of the Roadmap is to stimulate waste innovation (technological and non-technological), R&D, and human capital development (HCD), through the investment in science, technology and innovation (STI). In so doing, it hopes to maximise the diversion of waste away from landfill towards value-adding opportunities, including prevention of waste and the optimised extraction of value through reuse, recycling and recovery, in order to create significant social, economic and environmental benefit.



FOCUS AREAS FOR THE SA PLASTICS INDUSTRY:

Whilst we understand that the draft is by no means final, there are certain key concerns we will be raising with DEFF when we submit our feedback:



Of particular concern to us is ensuring that the final Section 18 notice is **practical, reasonable** and **applicable** to the South African context.

- It is crucial that targets that are being set for the collection and recycling of the various forms of plastic, are based on the South African scenario, include local data, use our own best practice models and build on the successes that our existing PRO's have already achieved.



Recyclables are a valuable resource and should be removed from the solid waste stream before reaching landfill where they become contaminated and extraction costly. **Separation-at-source**, whereby recyclable materials are separated from non-recyclables, is therefore a key success factor for all recycling.

- A staggering 70% of the plastics that recycled in South Africa, are still obtained from landfill and other post-consumer sources.
- 34 % of South Africans do not have access to any waste management services. Waste management infrastructure needs to be in place by municipalities throughout SA where concerned citizens can participate and which can deal with recyclable as well as non-recyclable waste.

NEXT STEPS:

The next few weeks will be crucial as we compile these **comments, concerns** and **recommendations**, before tabling them for discussion with Government.



- We are working closely with our various PRO's to ensure the interest of the various plastic packaging streams are represented and protected.
- Please read through the Gazette and revert back to us as soon as possible should you have any suggestions or queries as soon as possible.

CONCLUSION:

In conclusion, I would like to stress that the plastics industry is fully committed to cooperating with Government as we work to clarify the issues of concern.

"FOR THOSE PRODUCERS WHO HAVE NOT YET SIGNED UP TO A PRO, YOU ARE ADVISED AND ENCOURAGED TO JOIN WITHOUT DELAY"

Thank you to everyone who has already been engaging with us directly or through the PRO's. For those producers who have not yet signed up to a PRO, you are advised and encouraged to join without delay. Not only will this ensure that your company is compliant and meet the obligations under the new legislation, but your input and contributions during this development stage of the game are much needed and could help to shape our industry focus and activities for many years to come!

Yours in Plastics,

Anton Hanekom
Executive Director: Plastics SA
Email: Anton.Hanekom@plasticssa.co.za

Sources:

- Government Gazette No. 43481, Consultation On The Proposed Regulations Regarding Extended Producer Responsibility, 26 June 2020;
- <https://www.csir.co.za/developing-waste-rdi-roadmap>