



# PETCO – SMME Support and How to Grow your Business

12 October 2017



# How its Done

PETCO invests all its funds (non –profitable organisation) in ensuring and encouraging PET recycling, through

- contracting and financing PET recyclers who collect bottles, process them into rPET in preparation for the manufacture of new products
- consumer education and awareness
- training and joint venture projects
- equipment support and sponsorship
- guidance relating to design for recycling
- By way of partnerships through five to ten-year plans with clearly-defined targets.



# What is PET



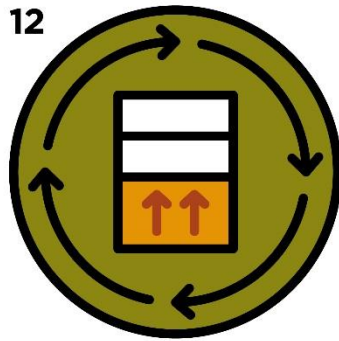
- most common container in the soft drink market today
- polyethylene terephthalate (PET)
- transparent, rigid container used to package bottled water, carbonated soft drinks & numerous other substances
- PET is labelled with the # 1 code
- 100% recyclable.



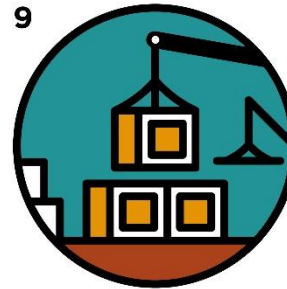


## GROWTH OF PET BOTTLE RECYCLING IN SOUTH AFRICA





RESPONSIBLE  
CONSUMPTION  
& PRODUCTION

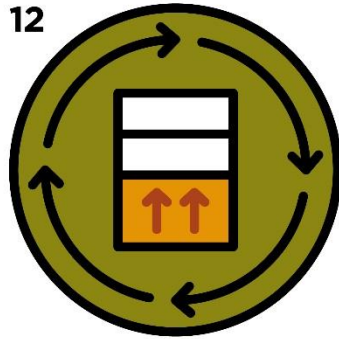


INDUSTRY, INNOVATION  
& INFRASTRUCTURE

## RECYCLING STATS:

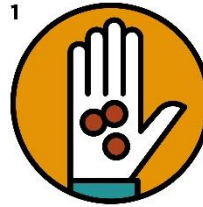
- 55% recycling rate
- 90 749 tonnes of PET collected
- 2 billion bottles per annum or 5.7m bottles daily

THE GLOBAL GOALS  
FOR SUSTAINABLE DEVELOPMENT



RESPONSIBLE  
CONSUMPTION  
& PRODUCTION

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FOR SUSTAINABLE DEVELOPMENT



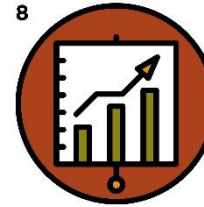
NO  
POVERTY

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REDUCED  
INEQUALITIES

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DECENT WORK  
& ECONOMIC GROWTH

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FOR SUSTAINABLE DEVELOPMENT



SUSTAINABLE  
CITIES & COMMUNITIES

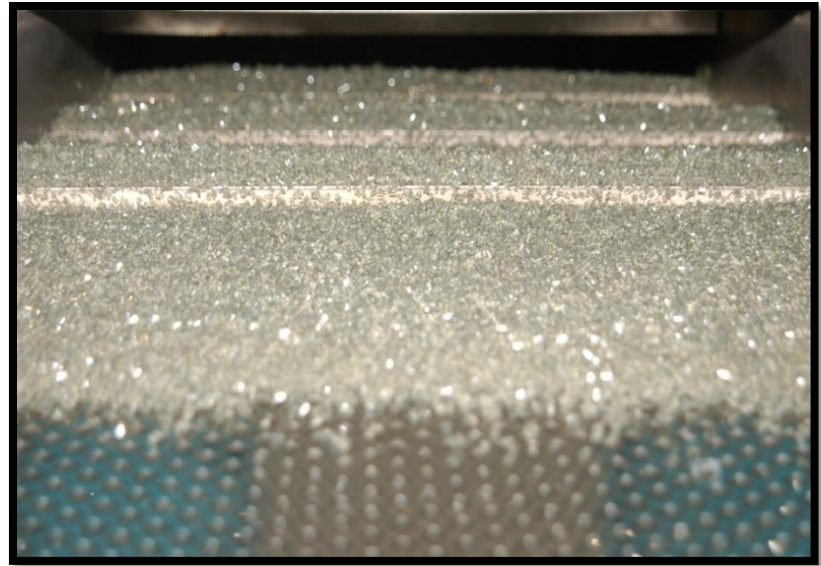
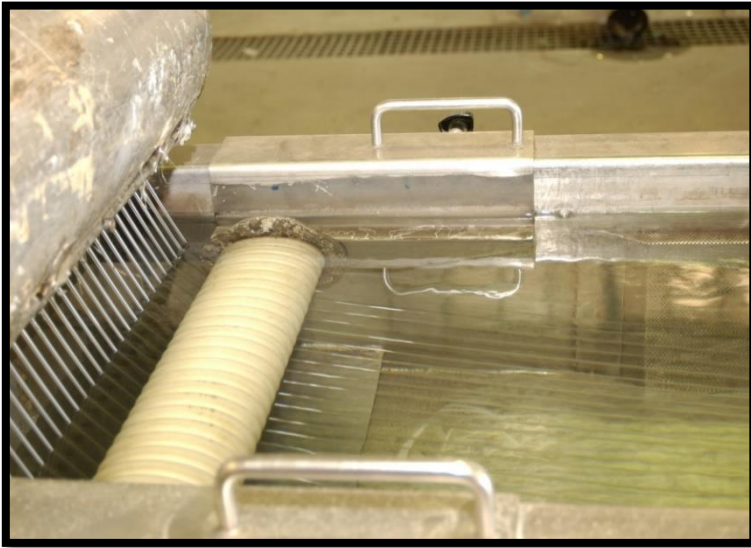
## HIGH VOLUME PROJECTS

- R48m spent in support of contracted industry recycling projects.
- R360m paid by 7 recycling partners for baled bottles delivered to plants.
- R890m injected into economy.
- 62 000 income opportunities created.

# PET Recycling Process..

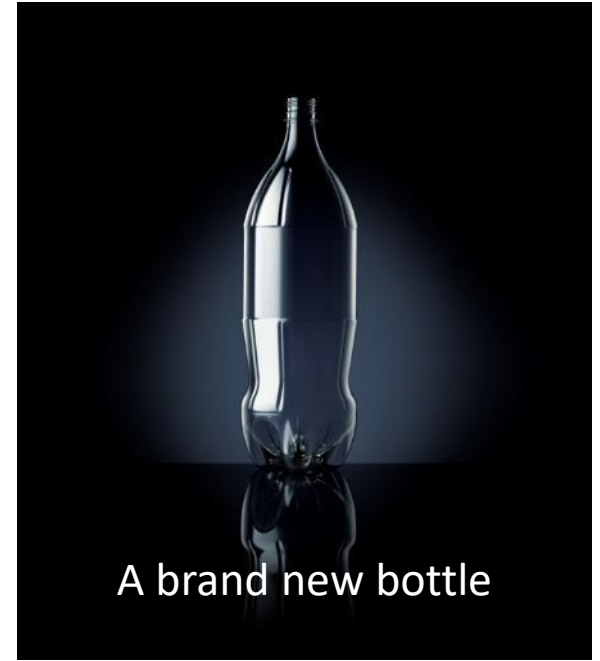


# PET Recycling Process..





# PET END-USE PRODUCTS: Bottle-2-Foodgrade



# PET END-USE PRODUCTS: Bottle-2-Fibre



Fibre for duvets



Fibre for reusable shopping bags



Fibre for pillows



Fibre for roof insulation



Fibre for car mats

# SUSTAINABLE. ETHICAL. PRODUCTS.

Tech accessories.  
Each laptop carrier is made  
from 5 recycled plastic bottles.



Laptop Sleeve



Laptop Bag



# RECYCLED DENIM

A BLEND OF AFRICAN COTTON AND FIBRE  
MADE FROM RECYCLED PLASTIC BOTTLES





## INFRASTRUCTURE AND EQUIPMENT PROVISION:

- 14 projects supported with equipment to the tune of R2.7m enabling increased collection capacity.
- To date 79 Projects have been supported

# Collections



Plastic bottles are not trash.

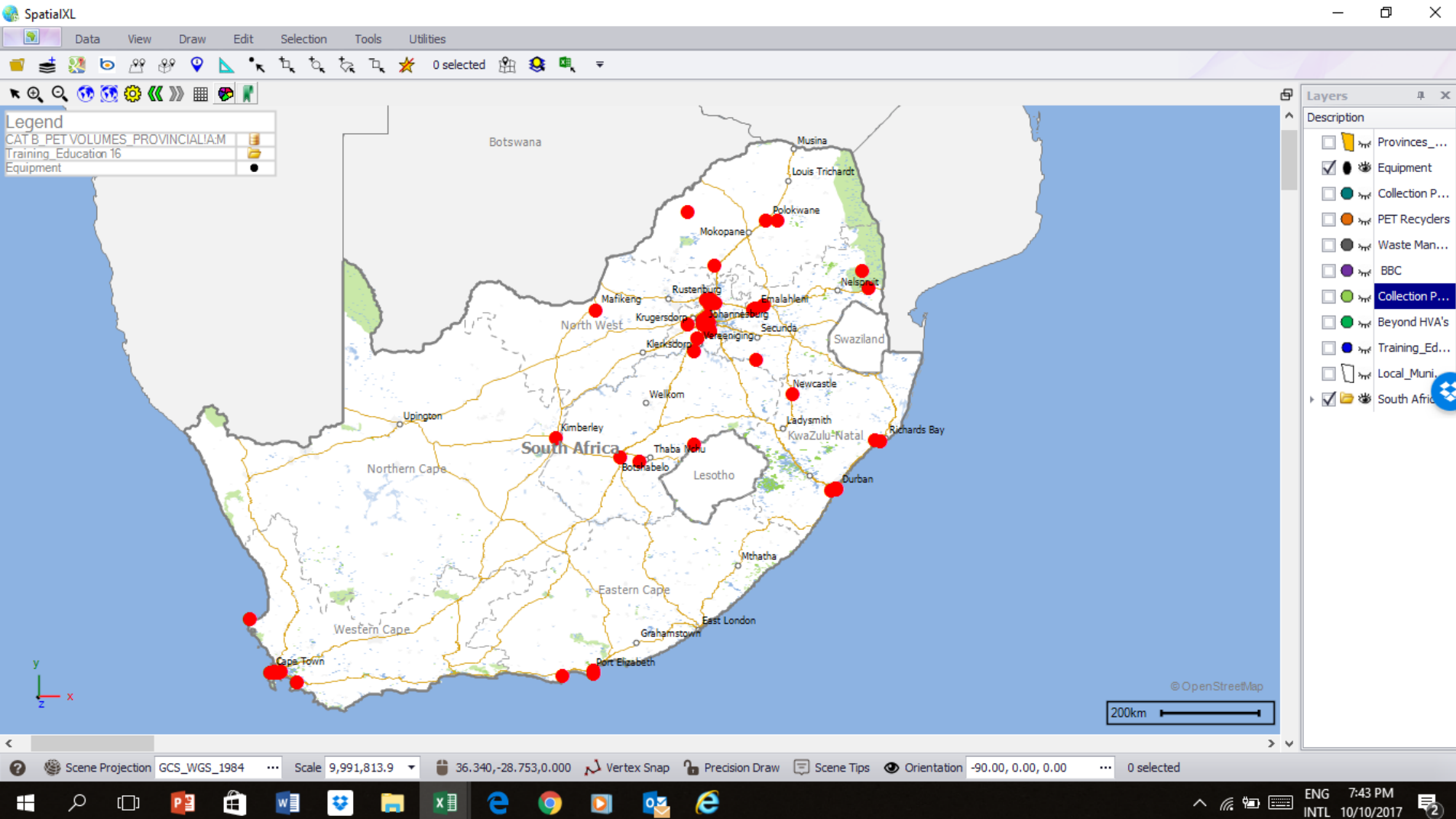
petco  
PET plastic recycling south africa

cannibal  
Glass Multi Recycling Business

www.petco.co.za 1is PET

082 969 9053 / 041 486 3940  
www.cannibalglass.co.za

# Collection Projects Supported









Plastic bottles are not trash.



Plastic bottles are not trash.



Plastic bottles are not trash.



Plastic bottles are not trash.



ACIPRA HTUOR HTUOR HTUOR HTUOR HTUOR  
BOXMORE

ACIPRA HTUOR HTUOR HTUOR HTUOR HTUOR  
BOXMORE

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LOGISTICS

# SMME: Uthando Recycling

- Nokulunga, her passion started in November 2014 when she worked as a driver cum receptionist.
- She was asked to send recyclable at the dump site. On the 5<sup>th</sup> December 2014 she attended the workshop in Durban arranged by PETCO where all stakeholders were invited.
- She resigned in 31 December 2014 to conquer her dream of recycling, traded her car in and bought a bakkie from her earning to assist in transport.
- In 2015 she collected 26 tonnes, won the ILO Responsible Tourism Challenge, waste category and PETCO was part of the initiative.
- In 2016 she collected 68 tonnes collectively. she has two permanent staff and one on temporary basis. A bakkie in a good condition and a trailer sponsored by PETCO.
- For 2017 she is running a HOUSEHOLDS-PET PROJECT and also the Coca Cola Schools project. She aims to triple the tonnages in 2017 - won R20 000
- She has linked disadvantaged collectors in the community to her buy back centre operations which was opened late last year.



## SMME: Lindithando



Ms Nomlindelo 'Pinky' Modisang owns a 100% woman-owned recycling business situated in Meyerton, Vereeniging. She has been one of M Pact Recycling's key dealers in the Vereeniging area since August 2011.

PETCO has supported her with Protective clothing, a manual baler, a platform scale, 5 cages and a 12meter shipping container.

Pinky employs eight people on her site that assist with sorting and baling of all recyclables

Mpact Recycling assisted Pinky with upgrading her property by erecting a roof shelter and laying some paving. Construction on her site began in November 2015 and the enhancements have assisted her business to grow, potentially supporting the community through downstream job creation.

Opened 2<sup>nd</sup> site



**Plastic bottles  
are not trash.**

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082 748 9139  
E-mail: pinkympinkym@yahoo.com

Supported by  
**petco**  
plastic recycling south africa  
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# Co-Operative: Ikageng Ditamating



# Process and Support

- **Co-Operative**, 22 members officially the implementer of the separation at source project in Vaalpark
- **Government:** National - DEA; Provincial – DESTEA; District – Fezile Dabi; Municipality – Metsimaholo
- **Industry:** Packaging SA (PETCO; PRASA; CAC; TGRC; POLYCO; Plastics SA; PSPC) SA Vinyl
- **Funding:** ILO Competition. PETCO sponsorship (Cages, baling machine, PP)
- **Business:** Sasol Rejuvenation, Harmony Mines, Safripol



**Government:** DEA, DESTEA, Fezile Dabi, Metsimaholo.

**Industry:** PACSA, RAG, Plastics Sa, TGRC, CAC, POLYCO, PETCO, PSPC, SAVA, IWMSA, NRF

**Private:** ILO, Harmony Mines, Sasol Rejuvenation, Waste Plan, Flotek,



# Launch



A RECYCLING PROJECT IN VAALPARK

# RECYCLE



THESE **CAN** BE RECYCLED?

## METALS

- Beverage cans
- Food cans
- Aerosol cans
- Paint cans
- Oil cans
- Screw caps
- Foil

## GLASS

- Wine and Beer
- Spirits
- Other alcoholic beverages
- Food jars
- Cool drinks
- Juice bottles

## PAPER & BOARD

- Office paper and envelopes
- Cardboard boxes
- Magazines
- Newspapers
- Telephone books
- Junk mail
- Milk and juice cartons
- Paper gift wrap

## PLASTICS

- Bottles and drums
- Bags
- Crates
- Buckets and pails
- Caps and closures
- Tubs and jars
- Trays
- Foam packaging
- Shrink, stretch and other films



THESE CAN **NOT** BE RECYCLED

- Wet, dirty or contaminated items

- Cling wrap or disposable nappies

- Chemicals, paint, toothpaste tubes

- Dog food packets, washing powder packets, chips packets, motor oil containers, acids or solvents

# Co-Operative: Tihana Recycling and Waste Management





# Tihana Recycling and Waste Management



SEED SOUTH AFRICA  
AWARDS 2015

# Process and Support

- **Co-Operative:** Thinana Cooperative consists of 5 women, previously working from the Senwabarwana dumpsite.
- Prior to moving to the recycling buyback centre, these women worked from a dumpsite with no protective clothing and little to no access to the markets to sell their waste to
- **Industry:** PETCO – Supported 6 Trolleys, manual baler, PP and training. The use of customised trolleys together with prerequisite machinery has seen this cooperative extensively collect, sort, bale and sell waste to generate income
- **Government Support:** Municipality and District

## Supporters and Donors to Date



## Co-Operative: Ihlanzeko

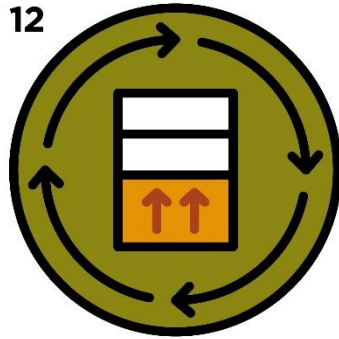


- **Co-Operative**, Established in 2011. Women owned 10 members implement competitions to house-holds, do door to door collections with trollies in Tembisa

**Government:** Municipality – Ekurhuleni; local Economic Development Department

**Industry:** PETCO.

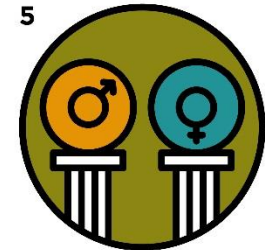
**Funding:** Nets Africa / Oxfam Italia; Gauteng Department of Agriculture and Rural Development – MTK Awards; PETCO co-op of the year 2013 (8 trollies, baling machine, 12 ft. shipping container, PP and Training)



RESPONSIBLE  
CONSUMPTION  
& PRODUCTION



QUALITY  
EDUCATION



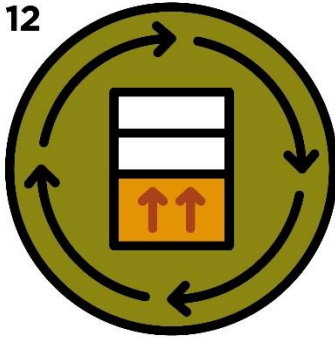
GENDER  
EQUALITY

## TRAINING AND MENTORSHIP:

- 19 workshops for 452 collectors and municipal employees involving men and women.
- R297 000 – Accredited Training

**THE GLOBAL GOALS  
FOR SUSTAINABLE DEVELOPMENT**

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**RESPONSIBLE  
CONSUMPTION  
& PRODUCTION**

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**DECENT WORK  
& ECONOMIC GROWTH**

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**SUSTAINABLE  
CITIES & COMMUNITIES**

# HOW TO GROW YOUR SMME

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**QUALITY  
EDUCATION**

**THE GLOBAL GOALS  
FOR SUSTAINABLE DEVELOPMENT**

5



**GENDER  
EQUALITY**

# Recycling Value Chain

- Recycling Hierarchy



# Planning: Where to start

- As with any business, success depends on good research and planning.
- Do your homework - Find answers to all your questions
- Prepare your business plan - SEDA.
- Is there a market for recyclable materials
- Is there a good supply of recyclable materials
- Can you help me to draw up a site plan?
- What are the health, safety, fire and environmental risks?
- Do I need to register as a collector, transporter or buyback centre operator?
- What documents need?
- Which municipal by laws or other laws apply?
- Do I need a permit, licence or permission?
- How and where do I apply?
- Can I start collecting while I wait for my permit or licence?
- Do I need training?

# What to ask Recycling Companies (as prospective buyers of all your recyclables including PET bottles

- What recyclables do you buy? Tip: Collecting all material types of recyclables (plastics and other materials) will be more feasible but it is unlikely that one recycler is interested to buy all recycling fractions from you.
- Do I need to clean or sort recyclables in any specific way?
- Do I need to compact (e.g. bale) recyclables?
- Where can I deliver?
- How much do I need to store in order for them to collect?
- Where can I drop off recyclables if I have my own transport?
- How much do they pay per kg or ton (both when they collect and when I bring to you)?
- What sorting equipment do you supply (bulk bags, racks, sorting table, compactors





# Bale Quality:

Ideal



- Clean , colour sorted bales get highest price



Not ideal



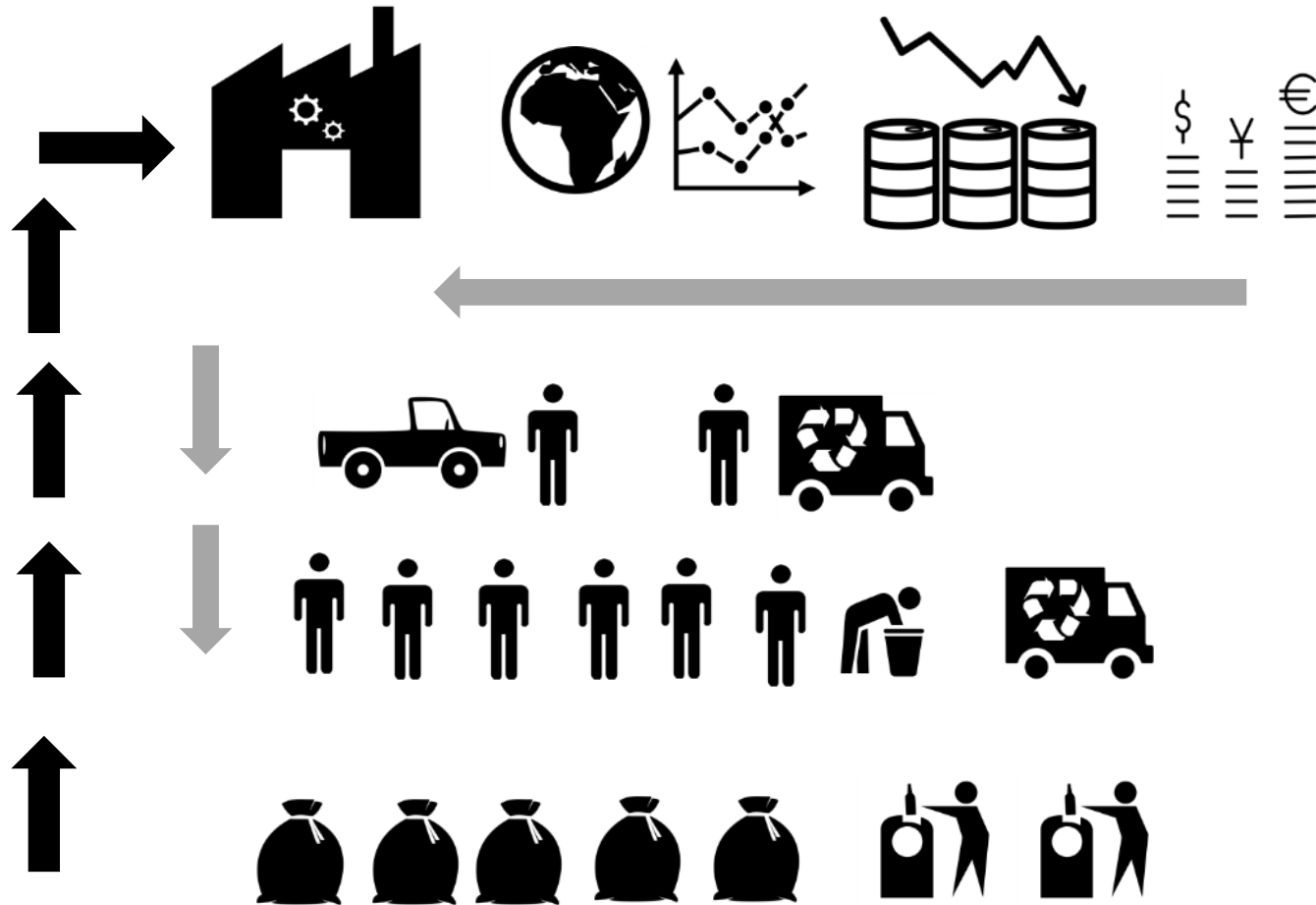
- Dirty , unsorted bottles get lowest price

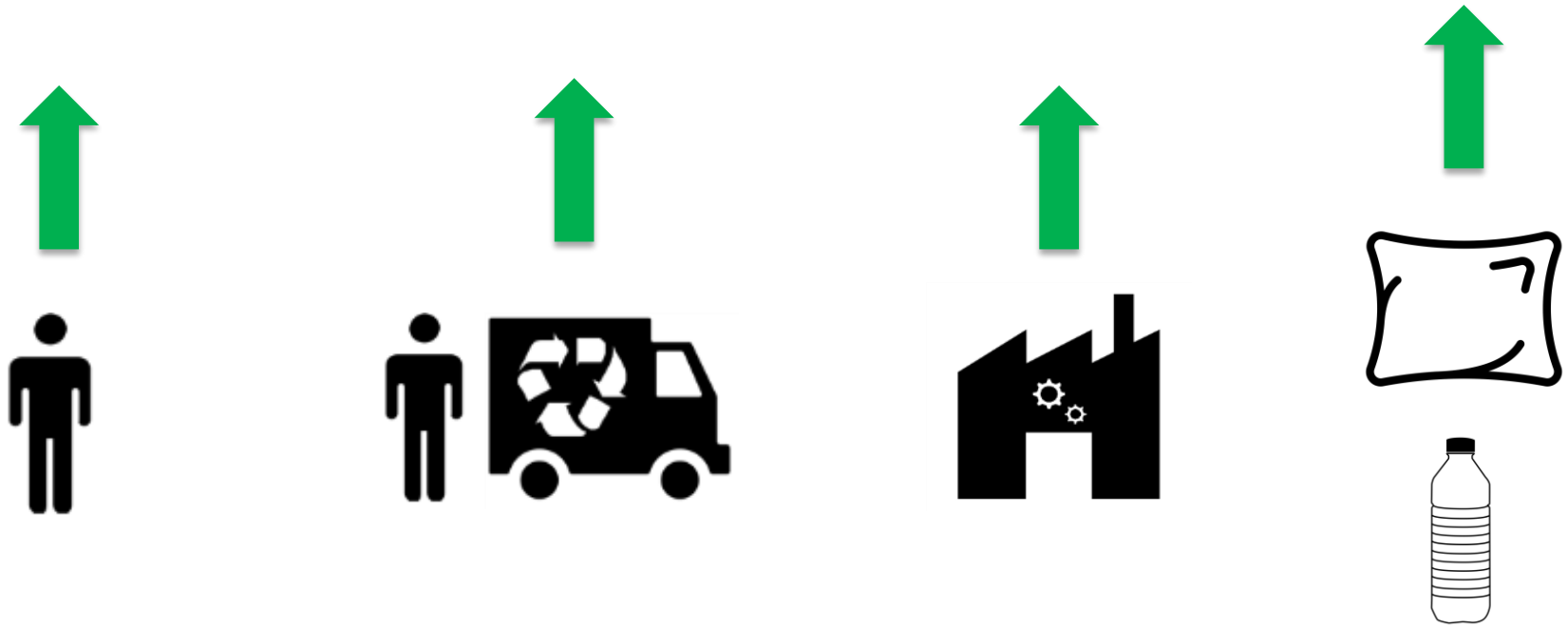


# PET is too valuable to dump in landfill



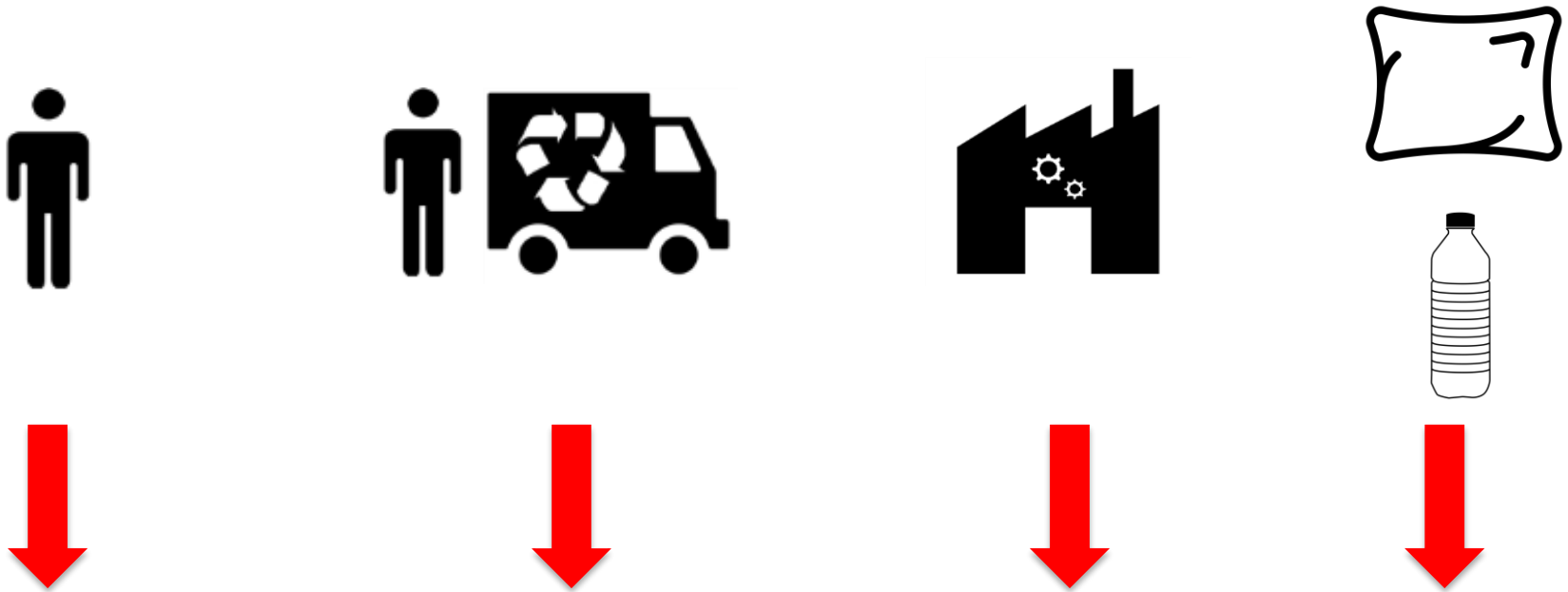
# Recycling economics





- When demand or prices for recycled material increase, the prices for bottles increases

- When demand or prices for recycled material falls, the prices for bottles falls

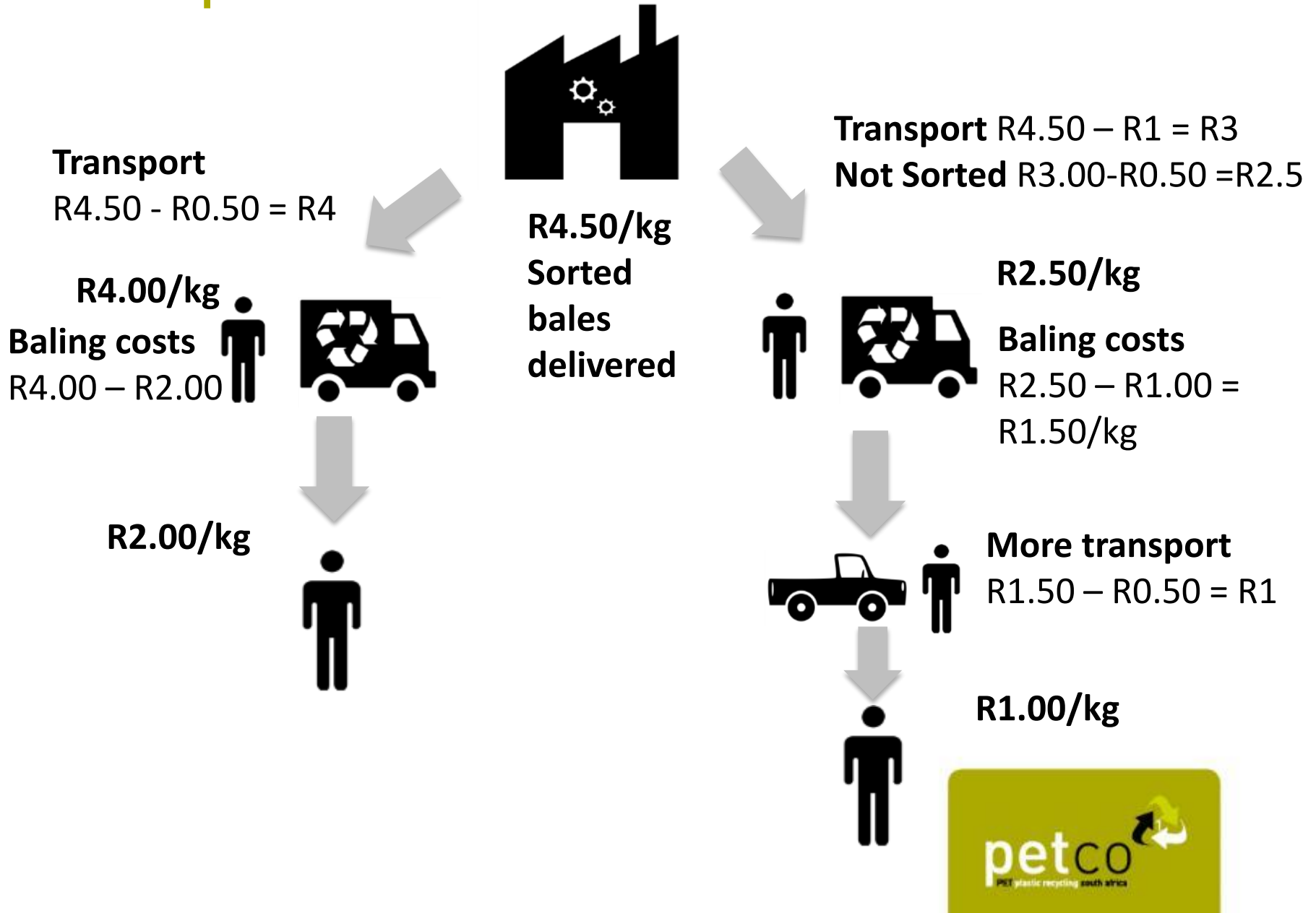


# What else affects the price that recyclers pay?

- **Quality of materials**
  - Clean, Dirty
- **Have the products been sorted correctly**
  - Plastic (PET, PE-HD, PVC, PE-LD, PP and PS)
  - Paper (White paper, cardboard, tissue, etc)
  - Cans (Aluminium and Steel)
  - Glass (Colour)
- **Baled or Loose**
  - Check buyer requirements – most recyclers only buy baled material
- **Delivered or Collected**
  - Use the best option for you, either you can deliver or the recycler could collect.
  - Delivered price is always better
- **Colour**
  - Only certain plastic products need to be separated by colour, like PET (Clear, Blue, Green, Yellow, Brown)
  - Glass – Clear, Brown and Green
- **Location - Distance**
  - There are more recycling companies in JHB, Durban, Cape Town. The closer you are to the recycler, the higher the price will be/ transport cost – maximise share loads.



# Example: JHB vs Musina



# How to Grow your Business

- Have a vision of the future you want to build
- Understand what the industry key success factors are. What makes one successful in recycling? Networks? Customer Service? Reliability? Keeping your word: Honouring commitments and acknowledging problems arising? Open & Transparent Communication?
- Learning from competitors – what are they doing better than you? What are their strengths? What are their weaknesses?
- Separating the business from yourself – The business has to be managed in a professional manner and that means that you must treat it as such.
- Personal Development is important. Seize learning opportunities. Learn from other business people, what has made them successful? What principles have made them successful? What training do you need as an entrepreneur to grow yourself?





# How to Grow your Business

- Financial Management – What systems and controls have you put in place for your business? Are the books updated frequently or only when annual returns have to be submitted? How often do you review expenses?
- Marketing – Are you making the business known? What platforms have you used to make your enterprise known? What is the nature of the message you send concerning your business? Never assume that people know what your business is about. IN your sphere/ circle of influence, how many people buy into your business?
- Employees – how well do you treat them? These are the marketers of your business. Word of mouth is important and priceless. They are part of the builders of the brand reputation.



# RECYCLING – BASIC BUSINESS TOOLS

## BUSINESS TIPS

- Do as many recyclable streams as you can manage. Plastic, Paper Cans and Glass. This will help you to have a steady income and offer a one-stop-shop to your customers.
- Grab every opportunity
- Keep on trying... and try to collect a little more every day!
- Team up with people who are prepared to work as hard as you.
- Network – remember the power of networking to grow your own business.
- Remember that your business comes first!
- Focus on growing your income
- Enjoy watching your savings grow and also reward yourself for your hard work.
- Recycling business = competitive
- To make profit – offer a service that is in demand! AND make sure that your service is reliable & professional!

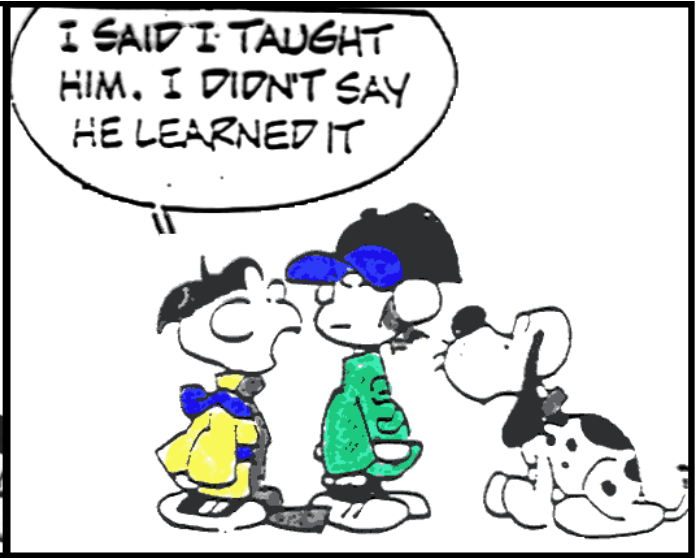
## THREE KEYS TO SUCCESS

- PERSISTENCE – Keep on trying
- PERSERVERANCE – Never, never give up
- DELIVERY – If you say you are going to do something, Do it!



# House-keeping





# PETCO'S VALUED SHAREHOLDER MEMBERS



# PETCO'S VALUED SHAREHOLDER MEMBERS



# PETCO ACKNOWLEDGES OUR PARTNERS

- The International Labour Organisation (ILO) – United Nations
- CSIR
- Department of Environmental Affairs (DEA)
- Department of Science and Technology
- Packaging SA and member associations
  - Paper Recycling Association (PRASA)
  - Polyco
  - Petcan
  - TGRC
  - PCSA
- National Recycling Forum (NRF)
- Institute of Waste Management SA (IWMSA)
- Plastics|SA
- SA National Bottled Water Association (SANBWA)
- GreenCape
- SAPRO
- African Marine Waste Network (AMWN)
- Consumer Good Council of South Africa (CGCSA)





# Thank You Questions ?

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