



# WELCOME

## MEMBER INFORMATION SESSION

SEPTEMBER 2022



| Agenda Item                                                                                                                                                                                                                                                                                                                        | Time        |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| Welcome                                                                                                                                                                                                                                                                                                                            | 13:30-13:35 |
| <p>PETCO updates</p> <ul style="list-style-type: none"> <li>• Overview of PETCO team and membership</li> <li>• Implementation of EPR schemes</li> <li>• Collection value chain support</li> <li>• Stakeholder engagement</li> <li>• Legal and regulatory</li> <li>• Member communication</li> <li>• Member registration</li> </ul> | 13:35-14:15 |
| Review of key upcoming timelines                                                                                                                                                                                                                                                                                                   | 14:15-14:20 |
| Questions and answer                                                                                                                                                                                                                                                                                                               | 14:20-14:30 |
| Adjourn                                                                                                                                                                                                                                                                                                                            | 14:30       |



# OVERVIEW OF PETCO

# MEET THE TEAM





# MEET OUR INTERIM BOARD OF DIRECTORS



# MEET OUR MEMBERS



**ALPLA**

THE  
BESPOKE  
AMENITIES  
CO

**BEVCO**  
THE BEVERAGE COMPANY

*Coca-Cola* Peninsula  
Beverages



**DIAGEO**



*Coca-Cola* Beverages  
South Africa



*Happy  
Culture*

**JUMBO**  
BRANDS

**MADU  
MAGEU**  
SINCE 1979

**mpact**  
smarter, sustainable solutions

**N**  
**Nampak**  
Rigids  
packaging excellence

**NIORO**  
plastics (PTY) LTD

 **PEPSICO**

**Pick n Pay**

 **POLYOAK**  
PACKAGING

**SUNTORY**  
BEVERAGE & FOOD GB&I



**THIRSTI**



**TSITSIKAMMA**  
Spring Water

**Twizza**

  
Unilever

**W**  
WOOLWORTHS

# OUR EPR SCHEMES

Closures  
(HD and PP)

Labels  
(PET and  
BOPP)



Closed loop  
PET  
strapping

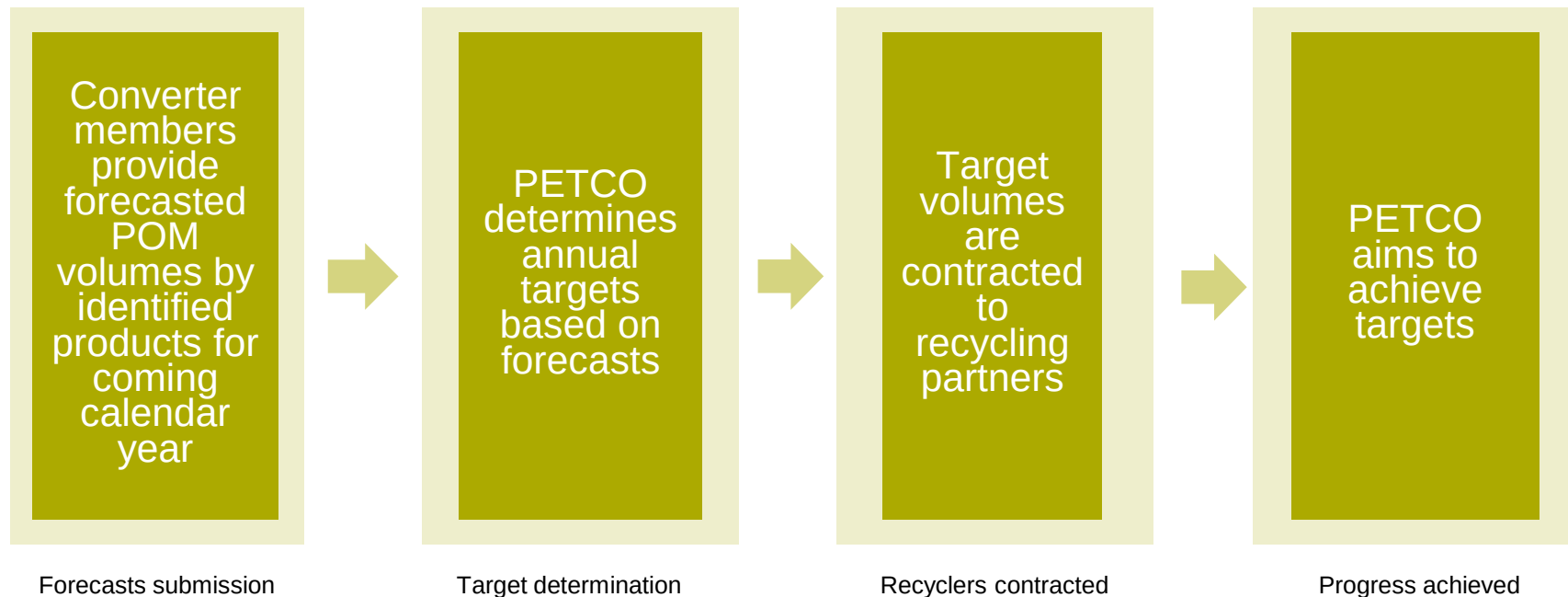




# IMPLEMENTATION OF EPR SCHEMES



# PETCO MODEL



# EPR FEE CALCULATION

- EPR funding is largely determined by collection target
- Higher collection increases quantum of funding req.
- Collection target is expressed as % of members vol.
- Higher membership = higher targets = more funding
- Funding is thus dependent on final membership



Understanding what members place on the market is critical to determining the job to be done, i.e. **the collection target and the cost!**

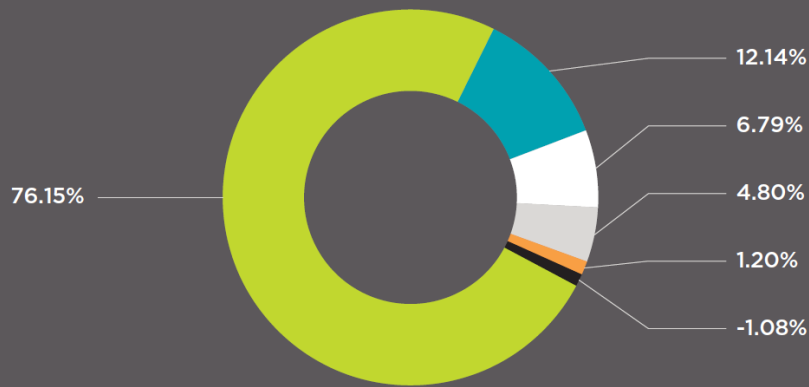


**Collection Target = EPR Target %  
\* Members Volume**



# FINANCIAL HIGHLIGHTS 2021

2021 UTILISATION OF FUNDS \*



COLLECTION AND RECYCLING VALUE CHAIN FINANCIAL SUPPORT

ADMINISTRATION AND OPERATING COSTS

EDUCATION AND AWARENESS

EQUIPMENT, INFRASTRUCTURE AND TRAINING

SECTION 18 COMPLIANCE

ADDED TO (UTILISED FROM) RETAINED SURPLUS \*\*

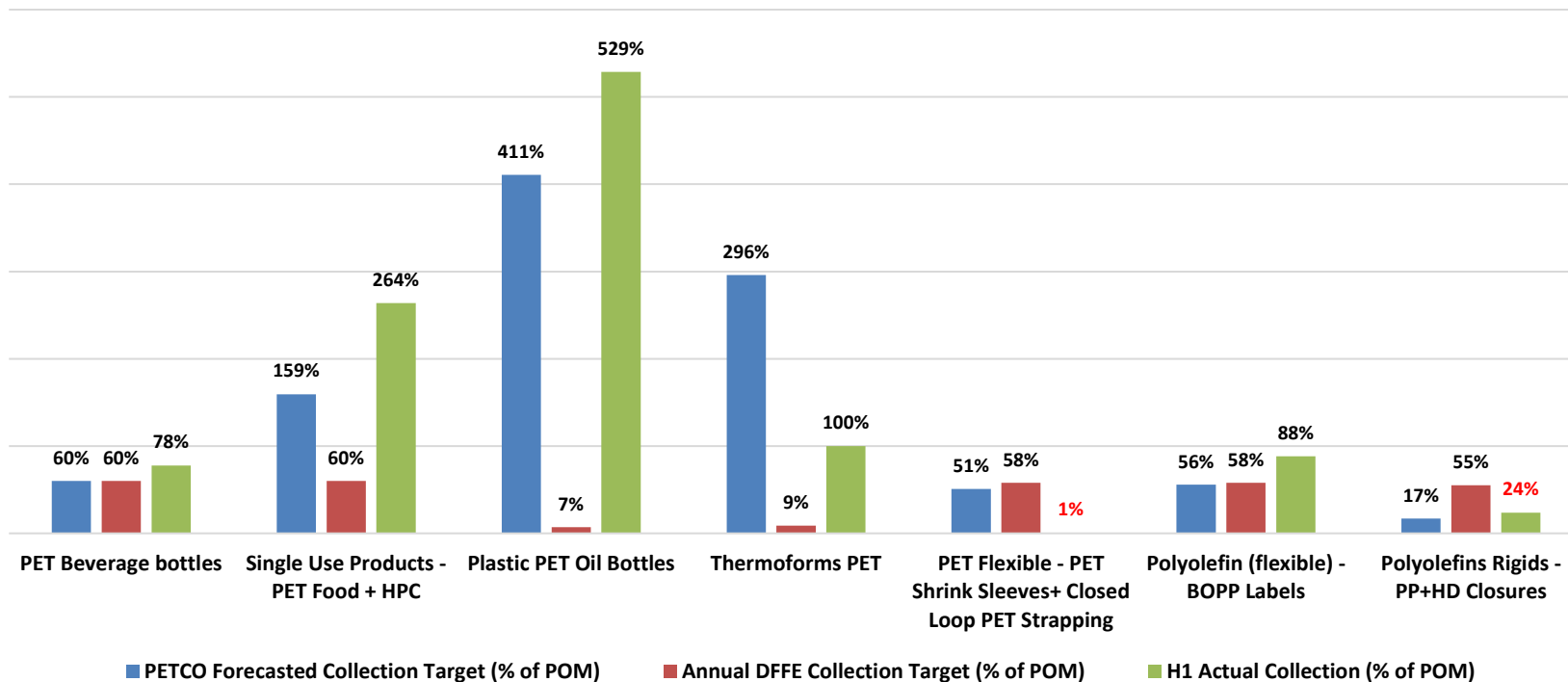
\* As percentage of income received  
\*\* 1.08% funded from retained income in 2021

- All funding received deployed in 2021
- **76%** towards collection and recycling value chain
- Only **12%** went to admin and operating



# 2022 COLLECTION PROGRESS

## 2022 Collection Targets vs. H1 (Jan - Jun) -2022 YTD Actuals



# 2022 COLLECTION PROGRESS

| DFFE Identified Products                                      | PETCO Forecasted Collection Target (% of POM) | Annual DFFE Collection Target (% of POM) | H1-2022 YTD Collections (% of annual target) | H1-2022 DFFE Collection Target based on forecasted annual POM (%) | H1-2022 YTD Collections based on H1 POM (%) |
|---------------------------------------------------------------|-----------------------------------------------|------------------------------------------|----------------------------------------------|-------------------------------------------------------------------|---------------------------------------------|
| PET Beverage bottles                                          | 59,6%                                         | 60,0%                                    | 44,8%                                        | 30,0%                                                             | 77,9%                                       |
| Single Use PET Products - Food + HPC bottles                  | 159,5%                                        | 60,0%                                    | 35,4%                                        | 30,0%                                                             | 263,7%                                      |
| PET Oil Bottles                                               | 410,7%                                        | 7,0%                                     | 45,5%                                        | 3,5%                                                              | 528,7%                                      |
| Thermoform PET                                                | 296,0%                                        | 9,0%                                     | 0,0%                                         | 4,5%                                                              | 0,0%                                        |
| PET Flexible - PET Shrink Sleeves + Closed Loop PET Strapping | 51,0%                                         | 58,0%                                    | 29,1%                                        | 29,0%                                                             | 0,8%                                        |
| Polyolefin (flexible) - BOPP Labels                           | 55,8%                                         | 58,0%                                    | 37,1%                                        | 29,0%                                                             | 88,2%                                       |
| Polyolefins Rigids - PP + HD Closures                         | 17,1%                                         | 55,0%                                    | 42,0%                                        | 27,5%                                                             | 23,9%                                       |







# COLLECTION VALUE CHAIN SUPPORT

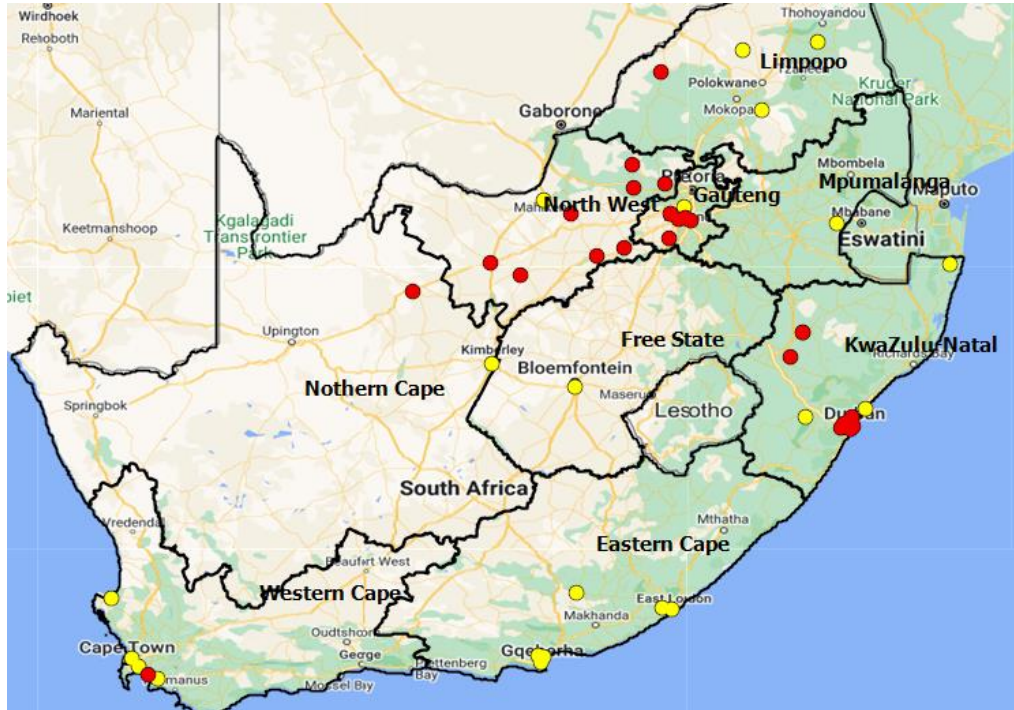
# 2022 TRAINING COURSES



| Support                | No. |
|------------------------|-----|
| Q1 Recycling Workshops | 5   |
| Q2 Recycling Workshops | 8   |
| Accredited training    | 1   |



# 2022 Q2 EQUIPMENT PROVISION

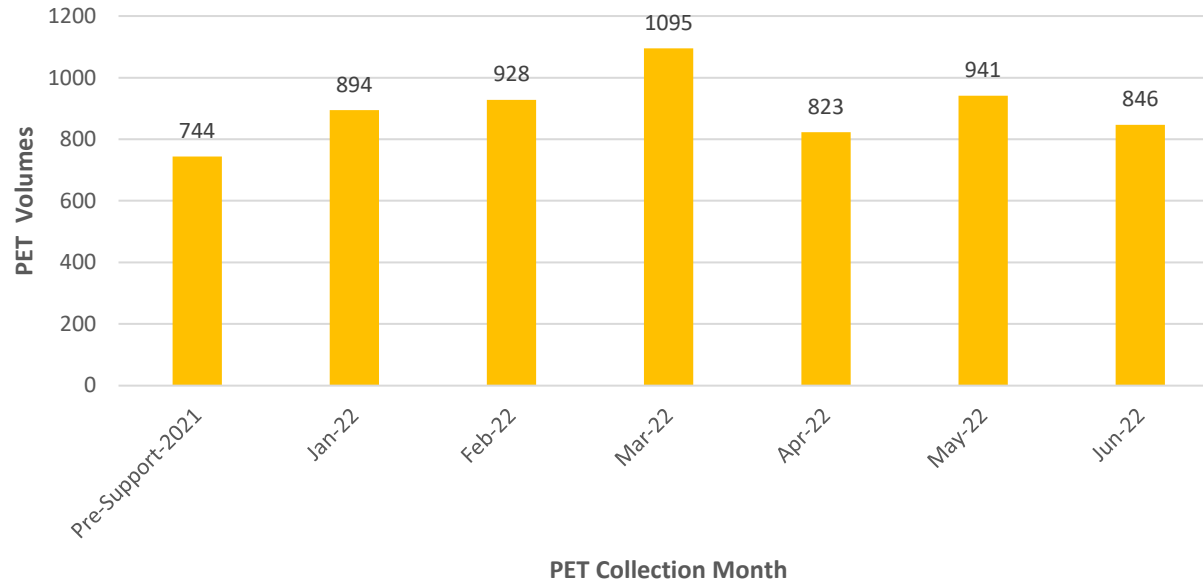


| Support            | No. |
|--------------------|-----|
| PETCO supported    | 21  |
| PETCO and partners | 35  |



# 2022 Q2 EQUIPMENT PROVISION

Pre & Post Support: Monthly PET Volumes



# ROLLOUT OF PROJECT UP

- In October last year, PETCO partnered with BanQu for the pilot of Project Up, funded by TCCF.
- Project Up seeks to use blockchain technology to provide a digital record of transactions between WPs and BBCs.
- A partnership with 6DOT50 is being explored to introduce cashless payment systems.
- To date 92 buy-back centres and 6 114 waste pickers registered



**Taking recycling to the next level.**





# ENTERPRISE DEVELOPMENT



- In partnership with various stakeholders, PETCO is seeking to invest in infrastructure that will increase the supply of rPET
- In 2021, we commenced with an enterprise development project based in KwaZulu-Natal, focusing on the flaking of PET recyclate.
- The goal is to have this flaked PET supply PETCO's contracted recycling partners as feedstock.
- Enabling the development of SMMEs involved in the waste value chain, thereby contributing to the transformation of the waste collection and recycling sector





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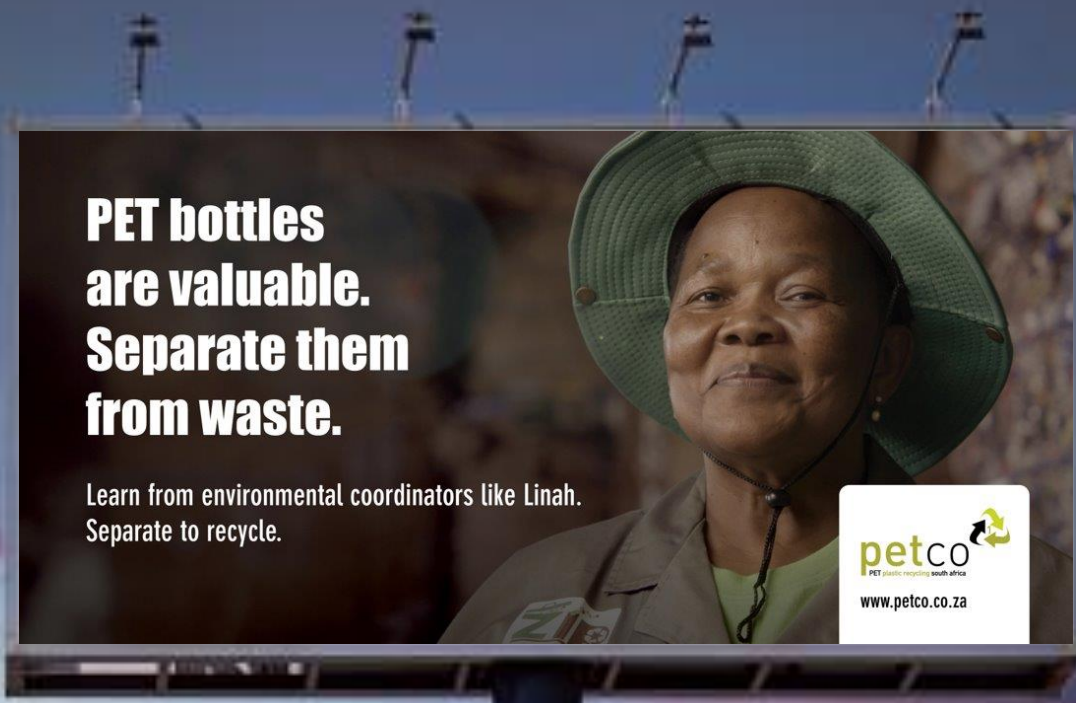
# STAKEHOLDER ENGAGEMENT



Your trash. My treasure.

# MESSAGE IN A BOTTLE





**PET bottles  
are valuable.  
Separate them  
from waste.**

Learn from environmental coordinators like Linah.  
Separate to recycle.



[www.petco.co.za](http://www.petco.co.za)



WHATSAPP PETCO  
ON 060 010 2077  
FOR MORE



www.petco.co.za

**PET bottles  
are valuable.  
Don't mix them  
with trash.**

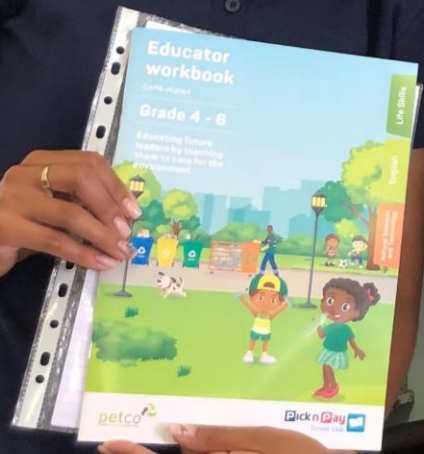
Learn from entrepreneurs like Smanga.  
Separate to recycle.



www.petco.co.za



"It's not the load  
that breaks you  
down, it's the  
way you carry it"



# EDUCATION & AWARENESS



- In partnership with the Pick 'n Pay schools program, PETCO has developed content for Gr 1 – 3 aimed at creating awareness about recycling.
- A WhatsApp-for-Business platform is currently active to support waste pickers in establishing small businesses.
- PETCO also provides sponsorships to several events and beach clean-ups, such as those for International Coastal Cleanup Day.









Dear Junaid,

Driving improved packaging design, collection, reuse and recycling rates globally will require a paradigm shift in the way we think about and approach this task.

As you'll see in this newsletter, industry organisations are researching and implementing innovative approaches and new technologies to achieve ever-more strenuous goals. And the innovations are not just coming from the top-down but from small start-ups and entrepreneurs working at grassroots level.



## COMMITTED PRO ALLIANCE MEMBER



- PETCO is a committed member of the Paper & Packaging PRO Alliance.
- We currently sit on the Alliance's board and have representatives at every meeting and working group
- The PRO Alliance is looking to undertake projects that aim to better support the informal collection sector, collaborate with municipalities and improve consumer awareness.





# LEGAL AND REGULATORY

## LEGAL AND REGULATORY UPDATE

- **EPR fee concurrence – 28 June:** Concurrence on the 2022 EPR fee was received on the 28 June 2022
- **EPR fee guiding methodology:** A panel of experts is being organised to inform implementation of EPR and develop a guiding methodology for EPR fees going forward.
- **Interim performance report – 31 August:** Our interim performance report was submitted on the 31 August on the SAWIC EPR online system on behalf of all linked members.
- **2023 Annual Financial Plan and Budget – 31 Oct:** This due to DFFE on the 31 Oct, and therefore member forecasts are needed by no later than **15 September**.
- **Implementation of waste picker service fee – 01 November:** A waste picker service fee is to be implemented by 01 November

## REQUIRED FORECASTS

## ANNEXURE 4

### Converter Annual Forecast Schedule

| Identified Products Description    | DFFE Category                          | Annual 2023 Tonnes | Annual 2023 Units |
|------------------------------------|----------------------------------------|--------------------|-------------------|
| PET bottles - Beverage             | Plastic PET Beverage Bottles           |                    |                   |
| PET bottles - Home & Personal Care | Single Use PET Products                |                    |                   |
| PET Bottles - Edible Oil           | Plastic PET Oil Bottles                |                    |                   |
| PET bottles & Jars - Food          | Single Use PET Products                |                    |                   |
| Thermoform PET                     | Plastic PET Thermoformed               |                    |                   |
| PET Shrink Sleeves                 | Plastic PET Flexibles                  |                    |                   |
| PET Strapping (Closed Loop)        | Plastic PET Flexibles                  |                    |                   |
| BOPP Labels                        | Polyolefin (flexible)                  |                    |                   |
| HDPE Closures                      | Polyolefins Rigid polyolefin packaging |                    |                   |
| PP Closures                        | Polyolefins Rigid polyolefin packaging |                    |                   |

**Converter Brand Owner Customer Details linked to Converter Annual forecast**

[illegible]





# MEMBER COMMUNICATION

## MEMBER PORTAL

### PETCO's EPR FEES

Learn more about PETCO's Extended Producer responsibility (EPR) fees.

[Learn More →](#)

### WHY PETCO

Our 16-year track record speaks for itself, with many benefits for your company.

[Learn More →](#)

### BECOME A MEMBER

Becoming a PETCO member has many benefits. Apply today.

[Learn More →](#)

### CURRENT MEMBERS

View our current members here.

[Learn More →](#)

### LEGISLATION

Familiarise yourself with waste management regulations in South Africa.

[Learn More →](#)

### DESIGN FOR CIRCULARITY

It all starts with smart design. Our guide will help you improve circularity of PET products.

[Learn More →](#)



# MEMBER ENGAGEMENTS

- One-on-one/individual member meetings with dashboard
- Collective PETCO member information sessions/themed webinar
- Member newsletters via email
- Member site visits
- Central repository for all key documentation

To be informed by member communication preference survey. This survey has been issued to members, please complete be to complete!



# KEY TIMELINES

- **18 August:** Board meeting
- **8 September:** Webinar – Section 18 update
- **15 September:** Submission of 2023 forecasts to PETCO
- **27 September:** Webinar – Informal sector integration
- **13 & 18 October:** Webinar – Design for Circularity, local and international best practice
- **31 October:** PETCO submission of Annual Financial Plan and Budget to DFFE
- **01 November:** Implementation of waste picker service fee
- **17 November:** Last board meeting for the year



# HOW TO REACH AND FOLLOW US



[junaid.francis@petco.co.za](mailto:junaid.francis@petco.co.za)



@PETCO\_SA



petco\_sa



@PETPlasticRecyclingSA



PETCO South Africa

Thank you, any questions?

