



CLICK HERE to complete
the member survey **TODAY**

Dear valued PETCO members

With the first eleven months of mandatory EPR already behind us, PETCO would like to share an update on key achievements for the year to date as well as our plans for the remainder of the year. There is also pertinent information that we are requesting from you as we start to prepare for year 2 of mandatory EPR.

PETCO Collection & Recycling

2022 COLLECTIONS UPDATE

For 2022, we aimed to set targets for ourselves that will seek to meet the legislated targets on behalf of our members. However, our annual targets are subjected to changes as we receive updated information from our members on their volumes placed on the market for the year to date. We are also in the process of undertaking bale characterisation studies at our recycling partners which are used to inform our understanding of the composition of identified products for a typical bale. The findings of these studies may also be used to amend targets going forward.

To the right is a table summarising our current targets for 2022 for each identified product for which PETCO offers an EPR scheme. Also included in the table is the DFFE target as well as PETCO's collection progress for January to June 2022 for each identified product (grouped according to the DFFE reporting categories for identified products):

Identified Products	PETCO Forecasted Collection Target (% of POM)	Annual DFFE Collection Target (% of POM)	H1 Actual Collection (% of POM)
PET Beverage bottles	60%	60%	78%
PET Food & Home and Personal Care (Single Use Products)	159%	60%	264%
Plastic PET Oil Bottles	411%	7%	529%
Thermoforms PET	296%	9%	100%
PET Shrink Sleeves & Closed Loop PET Strapping (PET Flexible)	51%	58%	1%
Polyolefin BOPP Labels (Polyolefin flexible)	56%	58%	88%
PP & HD Closures (Polyolefins Rigids)	17%	55%	24%

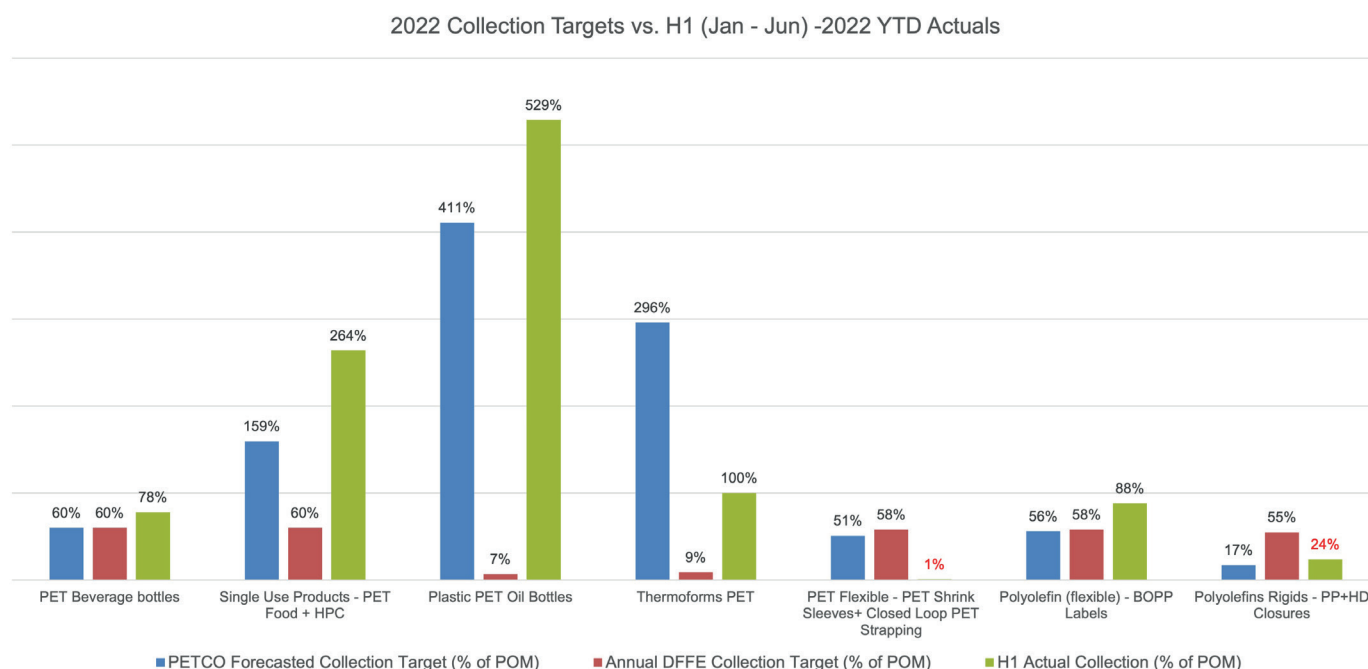
As mentioned, the table above illustrates PETCO's collection rates for the first half of 2022, spanning January to June 2022. As can be seen from the table, collection is largely consistent with the legislated targets for PET products.

However, as highlighted in red text, we are behind on our collection targets for PET flexibles and polyolefin

closures. PETCO is exploring means to improve collection of these specific products in the hope of improving the current collection rates.

Please note that these collection figures have not been audited yet and therefore might change at a later stage. Audited figures will also be shared with members once these have been finalised.

The graph below summarises progress on collection for January – June 2022:



Regulatory and Policy

EPR FEE CONCURRENCE:

As previously communicated, we received concurrence on our 2022 EPR fees in June 2022. This is valid for the entire duration of 2022 (Jan – Dec) during which time concurrence is expected for the 2023 fees.

EPR FEE GUIDING METHODOLOGY:

A panel of experts is being recruited to guide the implementation of EPR in South Africa going forward. Included in their mandate is the setting of a guiding methodology for the EPR fees going forward. Through the PRO Alliance, we have offered to support DFFE in the development of this guiding methodology.

INTERIM PERFORMANCE REPORT:

We submitted our interim performance report on 31 August. This report was submitted via the DFFE SAWIC EPR online platform, on behalf of all of our linked members.

DFFE SAWIC EPR ONLINE SYSTEM:

As previously communicated, the DFFE EPR online platform is live! Please verify that you are indeed registered on the platform and are linked to PETCO

for all the agreed identified products. Tutorials are available to guide the registration on the platform as well as how to link with a PRO. You can access the EPR online system here:

[You can access the EPR online system here](#)

2023 ANNUAL FINANCIAL PLAN AND BUDGET:

The 2023 Annual Financial Plan and Budget (which includes the 2023 EPR fee) is to be submitted to DFFE by 31 October 2022. This will allow the Department the legislated 60 days to get the necessary approvals before the budget becomes active on 01 January 2023. In order for PETCO to submit all the necessary documentation to DFFE by 31 October, we request that members submit their **2023 annual forecasts to us by no later than 15 September.**

WASTE PICKER SERVICE FEE:

As of 01 November 2022, PETCO will be required to pay a waste picker service fee to all waste collectors, pickers or reclaimers registered on the National Registration Database. Through the PRO Alliance, PETCO is currently engaging with the waste picker representative groups, government and key stakeholders to discuss this fee and how best to go about its payment. PETCO has also commenced with pilot projects to trial the payment of this fee.



PETCO Activities

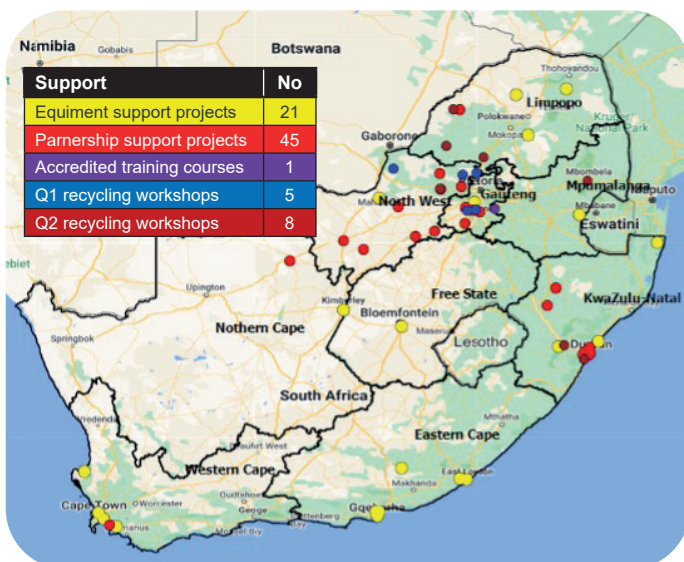
INFORMAL AND FORMAL VALUE CHAIN COLLECTION AND TRAINING

PETCO is committed to supporting the collection value chain and this commitment has continued in the first half of 2022. During this period, PETCO has co-hosted and presented at 13 recycling workshops with 892 attendees across 5 provinces. These attendees include waste pickers, SMMEs, private sector delegates as well as municipal, provincial and national government officials.

In addition to the above, PETCO also supported 21 SMMEs and co-operatives with equipment to improve the quantity and quality of post-consumer PET collections. This equipment includes trailers, scales, truck subsidy contribution, trolleys and PPE. This investment is expected to increase collection by 280 tonnes per month.

In partnership with Safripol, AECI, The Coca-Cola Foundation (TCCF) and Project Up (a collaboration with BanQu and funded by The Coca-Cola Foundation), PETCO also supported an additional 29 projects across the 9 provinces with bulk bags, trailers, scales, containers, branding as well as tablets and power banks. Support in the way of electricity connection, insurance, PPE and transport subsidies were also afforded to 5 projects in 4 provinces. Moreover, 11 schools were provided with water tanks, mobile toilets, meals, exercise books, computer equipment, PET collection infrastructure and litter booms in support of the KZN Disaster Relief Fund efforts.

A map depicting the areas in which these activities took place is presented below:



CONSUMER AWARENESS

This year PETCO took to the streets of South Africa on an epic journey from Mahikeng to Phalaborwa, from Umlazi to Rosebank to create a documentary series that digs deep into the recycling chain. Seen through the journey of recyclables in the value chain, we met the people, organisations and corporations driving change in their communities. We experienced the positive impact they are making on the world around them. We saw many examples of resilience and fortitude, of passion and selflessness, of innovation and ingenuity. This new docu-series, called 'Message in a Bottle', has just been launched and already the first 2 episodes have racked up over 100 thousand views.

You can view this exciting new series on our YouTube page here: [Click here](#)



PETCO membership

MEMBERSHIP OVERVIEW

The first phase of PETCO membership registration has been completed with 24 members currently registered to PETCO. PETCO membership comprises of 17 brand owner, 2 retailer and 5 converter members.

A full list of PETCO member can be found on the PETCO website here

PETCO MEMBER PORTAL

To access information relevant to your PETCO membership, you can:

Visit the PETCO member portal on the PETCO website here

On the member portal you will find the list of current members, our latest EPR fees, relevant regulations and our design for circularity guidelines. Once completed, the member declaration application will also be accessible through the member portal.



PETCO MEMBER COMMUNICATION AND ENGAGEMENTS

We will be rolling out a range of two-way communication platforms with our members to ensure that all your queries are being addressed and that we are collectively venturing along this journey of mandatory EPR. These communications platforms will be agreed in consultation with members, but the following ideas are proposed:

- Regular member information sessions
- One-on-one member standing meetings, informed by a reporting dashboard
- Quarterly newsletter
- Webinars
- Value chain site visits
- Linking members to their representative board members

These communication platforms will be based on member preferences. To indicate your preference on how PETCO can best engage with you, how often you would like that engagement to take place, and what are the key standing items you would like to discuss:

Please complete this member survey

Survey responses will be used to inform our member engagements going forward, your participation in this survey is therefore important.



International News

The following stories come to us courtesy of EXPRA – the Extended Producer Responsibility Alliance of which PETCO is an interested stakeholder.

For more information click [here](#)

EU WASTE TECHNICAL ADAPTATION COMMITTEE AND IMPLEMENTING ACT ON RECYCLED CONTENT IN BOTTLES

If adopted, the European Parliament and the Council will have two months to adopt a non-binding objection against draft Implementing Act. The act will implement the provisions set in the directive on single-use plastics with regards to the rules for the calculation and verification of the targets. It should therefore be possible to verify whether the requirements are met by the manufacturers to incorporate at least 25% recycled plastic into PET bottles from 2025 and at least 30% in 2030, as laid down in the single-use plastics directive (SUPD).

EUROPEN PAPER ON REVISION OF PACKAGING AND PACKAGING WASTE DIRECTIVE (PPWD)

The Packaging Chain Forum (PCF) members exchanged news and intelligence regarding the timeline of the PPWR revision.

EXPRA TALKING TO BIOREPACK

EXPRA met Italian EPR system, BioRepack on compostable and collectable packaging with bio and foodwaste in Italy. BioRepack has agreements with Italian municipalities covering more than half of the population.

PERSPECTIVE OF EXPRA'S MD IN RINKI'S (FINNISH EXPRA MEMBER)

Joachim Quoden, CEO of EXPRA, writes about the regulatory changes in the packaging industry, and asks what changes will the Packaging and Packaging Waste Directive and other EU legislative reforms introduce?

“We need very highly informed and educated stakeholders and politicians to be able to take part in the discussion and work of the European Parliament and the 27 EU Member States, facilitated by the European Commission, so that we can all finally agree on new legislation which is helpful for all our inhabitants, and which can be realistically implemented all over the European Union,” said Quoden.

OECD PLASTICS REPORT PROJECTS GLOBAL PLASTICS TO TRIPLE BY 2060

On 3 June, the OECD published its Global Plastics Outlook Report. The report estimates that nearly two-thirds of plastic waste in 2060 will be due to packaging, textiles and “low-cost products.” It warns that “radical action” is needed to “curb demand for plastics, increase product lifespans and improve waste management and recyclability.

EUROPEAN RANKING HIGHLIGHTS RETAILERS' PASSIVITY IN TACKLING PLASTIC POLLUTION

A May 2022 survey conducted by the Changing Markets Foundation finds that retailers have not been implementing systemic changes and supporting legislation to address plastic pollution. Rather, the study finds, retailers have been “concentrat[ing] their efforts on voluntary commitments”.

NEW GERMAN STUDY: WHY IS THERE MORE AND MORE PACKAGING?

On the 8th Packaging Day, five packaging industry associations published the results of a current study by the Society for Packaging Market Research (GVM). The study examines the development of private end use of packaging across all materials

from 1991 to 2020 and breaks down the causes according to individual factors.

Study and material for [download here](#)

CEFLEX RELEASES EPR CRITERIA FOR FLEXIBLE PACKAGING

The Circular Economy for Flexible Packaging (CEFLEX) has developed the 'Criteria for Circularity' to provide a checklist for Extended Producer Responsibility (EPR) schemes. CEFLEX, which brings together over 180 European companies, associations, and organisations, says that it believes EPR schemes are well-positioned to enable and coordinate a circular economy for flexible packaging.

[Learn more here](#)

MUST SEE DOCUMENTARY: THE RECYCLING LIE

The documentary "The Recycling Lie" shows that TerraCycle is not an isolated case. Consumers are therefore systematically deceived by corporations with recycling promises.

[Watch it here](#)

STEEL PACKAGING BREAKS RECYCLING RATE RECORD FOR 10TH YEAR RUNNING

Germany: The Federal Environment Agency publishes annual figures on the amount of packaging that has accumulated in Germany. These numbers are increasing every year. We wanted to know: Why? Partly this is due to the increased number of products consumed, structural effects and socio-demographic factors have also led to an increased need for packaging material.

PLASTIC RECYCLERS IN EUROPE STRUGGLE TO GET ENOUGH PLASTIC WASTE

Challenging these figures is critical to divert recyclable plastic from landfills and incinerators, to create economies of scale for recycled polymers. PRE calls for transparent reporting on waste generation, collection and sorting, so that missed quantities can be identified and recycled.

[Read more here](#)

KEY TIMELINES CONSOLIDATED

Below is a summary of the key timelines relevant to PETCO members for the remainder of the year:

- **15 SEPTEMBER** Submission of member 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 2023 Annual Financial Plan and Budget to DFFE
- **1 NOVEMBER** Implementation of waste picker service fee
- **17 NOVEMBER** Board Meeting

Notifications will be circulated to members if any of the above dates change or if additional milestones are introduced at a later date.



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