## **Press Release** For immediate release

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## 'Waste economy' holds economic and environmental benefits for South Africa – IRR

Major economic and environmental benefits can be gained from turning 'waste into worth', says the IRR in a policy paper published today in *@Liberty*, its policy bulletin. South Africa should be doing much more to 'monetise' the waste products currently being deposited in landfills and other dumps. This would clean up the environment while also creating local jobs and supporting the emergence of local entrepreneurs.

As the IRR points out, joblessness is particularly acute among young people in poor communities, where the unemployment rate often exceeds 50% and there is little sustainable economic activity. Such communities often also live close to landfills, thereby exposing the poor to waste that is smelly and unsightly and can also be hazardous to human health.

However, many of these waste products could also be seen as a form of 'dead capital'. They have an inherent value which could be much more effectively realised if focused efforts were made to collect and 'repurpose' waste by recycling or otherwise re-using it. This would also help generate sustainable jobs and businesses.

The IRR bases its analysis on a case study of the Recycling and Economic Development Initiative of South Africa (<u>REDISA</u>). This is a public-private collaboration which began in 2012 to collect and process tyre waste. In the past two years, as the IRR study shows, REDISA has created more than 2 500 jobs, established a number of small enterprises, and cut by half the mountain of tyre waste that was previously discarded every year.

These benefits are significant. In addition, the REDISA model could clearly be applied to many other waste streams: from plastic waste to waste from farming, mining, and various other activities. Policy makers should thus consider extending this model to plastic waste and a host of other spheres.

Says IRR CEO Frans Cronjé: "Our sense is that expanding the REDISA model to other waste sectors could generate major economic benefits in terms of more jobs and new small businesses. These economic benefits would also accrue primarily to the poor. REDISA provides a practical example of what can be achieved via creative public private collaborations that drive entrepreneurial activity while simultaneously achieving significant environmental gains. Key to the model is that the State creates an enabling policy environment and then leaves it to the private sector to get on with delivering the results. This is a principle that deserves to be expanded right across our economy. Unfortunately, it is seldom used, which makes the REDISA model an all too rare example of this kind of constructive policy thinking."

Download the full report <u>here</u>.



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