

# MANUFACTURING AFRICA



Manufacturing Africa aims to reduce poverty in Africa by attracting £1.2 billion of foreign direct investment into manufacturing and creating 90,000 jobs over 7 years (2019-2026). The programme is funded by the UK government through the Foreign, Commonwealth & Development Office (FCDO).



## Manufacturing Africa Supports Kenya's Steps Towards Extended Producer Responsibility (EPR) Regulation

The Ministry of Environment and Forestry (MoEF) has been in the process of developing Kenya's first Extended Producer Responsibility (EPR) regulation. Such regulations have been developed and implemented across the world from as far back as 15 years ago.

EPRs are based on the polluter pays principle with each producer having to pay a fixed amount per weight of product released into the market to cover the costs of collecting and recycling that product.

EPRs can increase recycling, promote design and use of easier-to-recycle products and reduce total plastic generated. In Korea, the EPR led to increased packaging recycling by 74%<sup>1</sup>; in Germany, between 1991 and 2017 the recovery rate of packaging rose from 37.3% to 94.3%

In Kenya, setting up a successful EPR will be critical to driving up supply of recycled plastics for manufacturers to use through the increased funds in the system to pay for collection, sorting and recycling.

Only 55% of Kenya's waste is collected and less than half of that (~20% total waste) is collected by the National Environment Management Authority (NEMA) registered formal waste collectors.



**Regulation will  
Unlock  
Potential  
Waste Picking  
and Recycling  
Jobs**

# HINDERANCES TO WASTE COLLECTION, RECYCLING AND PROPER DISPOSAL:



Lack of demand for recycled plastic



Poor economics of waste sorting businesses due to sub-scale collection



Insufficient regulatory mechanisms such as the EPR scheme or forced use of recycled materials.

Increasing manufacturing using recycled plastics in Kenya is currently limited by the amount of recycled plastic available (<1% total plastic generated), which in turn is dependent on the extent of collection and sorting.



Kenya has passed a Bill requiring all counties to establish an MRF. Raising funds for waste collection through the EPR Scheme will be critical in ensuring there are funds for collection, such that MRFs receive sufficient quality and quantity of waste to be economically viable and financially sustainable.

Currently,  
**55%** waste  
is formally  
collected

and **<1%**  
is sorted in Material  
Recovery Facilities  
(MRFs)

## THE CHALLENGE

- Kenya's original EPR scheme was drafted in a way that would make it complex to implement, listing 19 eligible products and materials and requiring one Producer Responsibility Organisation (PRO) to be established for each of these.



In other countries, the list is usually based purely on materials or products with a total of 1-5 items listed. The list in the EPR, being a hybrid of both products and materials, would have led to confusion among producers about which Producer Responsibility Organisations (PRO) to join given the overlaps and some would have needed to be a member of up to 6 PROs.



Having 19 items on the list and 19 corresponding PROs would also have been complex and expensive for the National Environment Management Authority (NEMA) to conduct auditing and oversight of the system including tracking volumes of products and payments. Finally, for PROs, their income would have been diluted and there would be duplication of efforts where products and materials have overlap.

## OUR SUPPORT



MA had an initial engagement with MoEF Permanent Secretary Kiptoo and his team and were subsequently invited for a hearing with the EPR team to present our analysis. MA helped the professional civil servants of the Government of Kenya to appraise the options and arrive at an optimum outcome which included the global best practice solution of a list of 5-6 products.



Three weeks later, the Ministry of Environment presented the revised Extended Producer Responsibility (EPR) regulation to industry stakeholders that had taken on board MA's recommendations and amended the draft regulation to feature only **5 material categories** for Producer Responsibility Organisations (PROs)

## IMPACT

Following these changes, the system is likely to be more efficient and easier for all parties to engage with and audit because:



All producers (including manufacturers across multiple sectors) will have a clearer way forward in terms of paying into the scheme to cover the costs of recycling the products they are putting onto the market,



PROs (responsible for collecting fees from producers and paying recyclers) will be able to manage collections more easily.



The National Environment Management Authority (NEMA) will be able to implement and audit the system more efficiently.



This intervention should help ensure the EPR initiative gets off the ground in a simpler way and more rapidly unlock financing to pay for recycling of multiple materials including plastics which will in turn translate to a higher quantity of recycled plastic produced and incorporated into domestic manufacturing of plastic products – the key opportunity we are working to help unlock in Kenya.



There is an opportunity for Kenya to leverage the PROs under Kenya's EPR regulation to channel funds towards large-scale women-led waste collection cooperatives and community-based collection centers operating in low-income areas.

*"I can see your footprints all over this, it's a great outcome. Thank you and your team for all the efforts. you have helped Kenya to get started on the right path towards Circular Economy, and not end up self-sabotaging"*

**Akshay Shah, Acting Chair of the Kenya Producer Responsibility Organisation (KEPRO)**



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## CONTACT US

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