Creating jobs in urban waste management

Sharing practical experience from iDE in Bangladesh, Swisscontact in Tanzania and Coffey in Nigeria.

How latrine services and other waste management services are creating job-rich opportunities for youth SMEs in emerging cities and markets, through recycling, manufacturing and assembly.

FACILITATOR: Debora Randall PRESENTERS **GEMS4** Waste Management work in Nigeria **Gerry McCarthy iDE's SanMark project in Bangladesh Deepak Khadka** Swisscontact's Taka ni Mali in Tanzania **Ailsa Buckley**

The unique features of cities in rapidly urbanising countries have important implications for how we adapt the market systems approach

- 1. Complexity interconnectivity
- 2. Dynamic nature of cities, can be resilient to change
- 3. Exclusion, i.e. informality versus formality

Business Models for Job-Rich Solid Waste Management

Gerry McCarthy Team Leader GEMS 4 Nigeria



- Features of urban concession business models from GEMS4, Nigeria
- Features of recycling manufacturer-driven increased waste collection business models from GEMS4 Nigeria
- Financial models for the waste market





MARKET SYSTEMS and URBAN SOLID WASTE MANAGEMENT.....

DCED-BEAM SEMINAR

Nairobi 21 February 2017

PRESENTER:

Gerry McCarthy Team Leader, GEMS4 Project Coffey International Development



- About GEMS and GEMS4.
- Why do we need urban waste management in developing countries?
- GEMS4 Work in Waste Management.
- About this Seminar presentation.



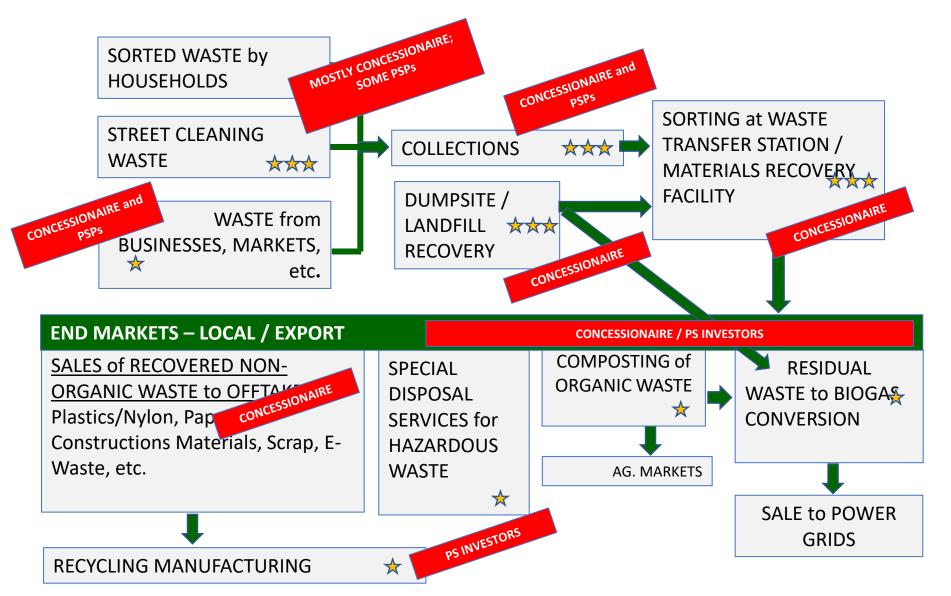
UNDERSTANDING MODERN SWM SYSTEMS



https://www.youtube.com/watch?v=HjNv iTsXn8

JOB RICH *** COMPONENTS of the NIGERIA INTEGRATED SWM MODEL and WHO DOES.....





POINTS ARISING for DEVELOPING COUNTRY SWM SITUATIONS.....



- Job-rich, business opportunities in waste management.
- PPPs essential; territorial SWM concessions are the way forward.
- Western models need to be adapted for developing countries.
- Good news for job creation as components of SWM.
- In concessions, arrangements are needed to accommodate existing private sector providers.
- Concession models will ideally include management/recovery of dumpsites/landfills.



FEATURES of THE NIGERIA CONCESSION MODEL.....



- Enabling environment needed.
- Concessionaire obtained a 25year concession for all of Oyo Stat.
- Started with phased plan for household collections and street cleaning in 25 underserved communities of Old Ibadan targeting 5,000 new jobs.



- Model creates formal jobs for waste collectors and sorters
- Concessionaire makes its money from selling recovered waste (mainly) 'CASH FOR TRASH'
- Concessionaire aiming for initial waste recovery of 20% of gross intake increasing to 25%

FEATURES of THE NIGERIA CONCESSION MODEL (Cont'd/-).....



• Securing and organizing dumpsites; zero child labour toleration.



- COMMUNITY ROLE: Household payment for services and basic sorting of waste at source
- BEHAVIOURAL CHANGES: Engaging community leaders at the outset followed by mobilization of the broader community

 PUBLIC SECTOR ROLE: enabling environment

FEATURES of THE NIGERIA CONCESSION MODEL (Cont'd/-).....



CHALLENGES and SOLUTIONS:

- **Challenge:** households adversity to payment for waste services.
 - Solution: employment and training of revenue collectors.
 - **Lesson:** employ strengths-based approaches for community engagements.
- **Challenge:** cost of appropriate technology to upgrade MRF.
 - **Solution:** British firm engaged to develop and install less costly intermediate technology solutions and train staff in maintenance.
- **#3**

#2

#1

- Challenge: access to affordable finance for expansion.
- **Solution:** Bank of Industry introduced a concessionary finance window for waste firms.

WHAT GEMS4 DID in the WASTE MANAGEMENT WORK STREAM.....



PARTNERSHIP with CONCESSIONAIRE (West Africa ENRG):

- Concessionaire did not have previous experience in mobilizing communities and training waste collectors: GEMS4 provided technical assistance.
- Grant support to de-risk and cofinance concessionaire's initial investment in demonstrating the community collection model
- 1,000 jobs in under 4 months.

OTHER PARTNERSHIPS:

- ACCESS TO FINANCE: This was a work stream exit strategy from grant support to partners. Negotiated a concessionary finance window for waste
- CHILD LABOUR PREVENTION
- BACKWARD INTEGRATION MODELS DEMONSTRATED
- MARKET LINKAGES

WHAT GEMS4 DID in its WASTE MANAGEMENT WORK STREAM (Cont'd/-).....



REPLICATION:

- Target for DFID = northern states of Jigawa, Kaduna and Kano.
- Conducted rapid SWM status assessments in one major urban centre in each state; developed an extensive information database around the assessments and other project research.
- Arranged a study tour for target state SWM and investment promotion stakeholders to the concession model operations and shared information on the assessments and database.

SAMPLE M4P OPPORTUNITIES in SWM



- Advising public sector actors.
- Selective partnerships to roll-out and replicate WM business models including franchises.
- Community collection and recycling models.
- Support for the development of waste management service markets.
- Facilitating access to finance, especially concessionary finance.
- Building capacity at territorial investment promotion agencies
- BMO capacity building.





SIGN-UP for MORE WASTE MANAGEMENT JOBS -

THANK YOU





Powering rural markets for urban employment: Experiences of iDE in Bangladesh

Deepak Khadka Country Director iDE in Bangladesh



- Macro perspective of urban employment
- Experiences of iDE's work in creating urban jobs and improving job markets
- How latrine services are creating opportunities for youth SMEs

Job creation in Solid Waste Management markets

Ailsa Buckley Head of Markets CESAF Taka ni Mali Tanzania

- Creating green jobs in the urban solid collection and recycling sector
- Reducing environmental degradation and health risks through efficient and sustainable SWM
- Employing an inclusive markets approach to build a durable and responsive SWM system



swisscontact

Taka ni Mali – Waste is Wealth

Morogoro and Mwanza, Tanzania



- Urban restraints
- Density & congestion
 Job less growth
 High unemployment & underemployment
- ✓ Low average incomes
- ✓ Growing informal settlements
- ✓ Poor public & private services
- ✓ Weak regulation & policy frameworks





- More people and enterprises
 More buyers and sellers
- ✓ More investments

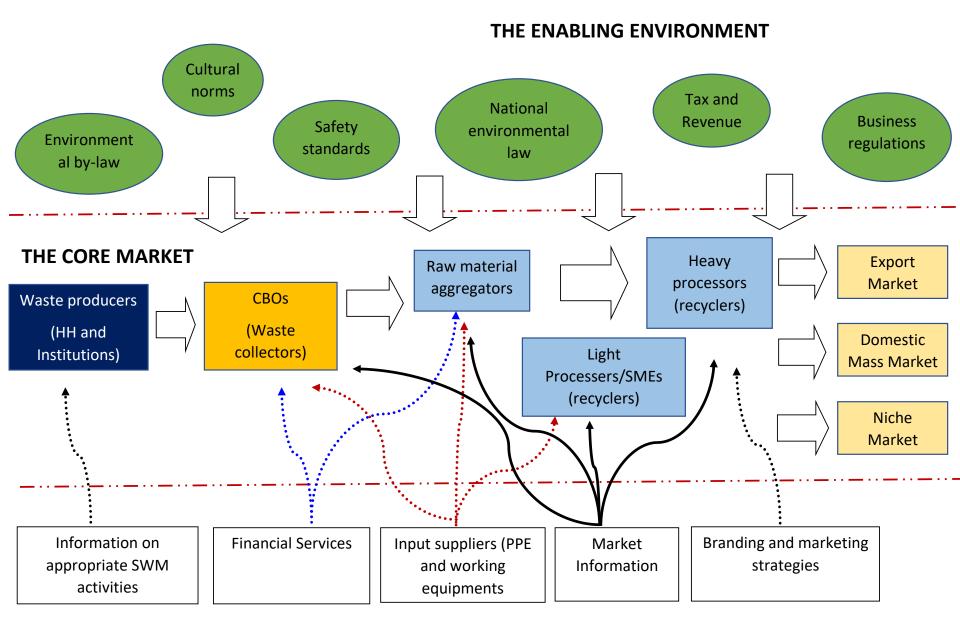
Urban benefits

✓ Thicker markets

- ✓ Benefits of scale (sharing)
- ✓ Network effect
- ✓ Thriving informal economy



URBAN SWM MARKET SYSTEMS



BUSINESS AND EXTENSION SERVICES

TnM strategy - what



Strengthening the enabling environment

Strategies

Facilitating business partnerships



Capacity development approach





Partnership-oriented approach





- ✓ Increased Government spending in the sector
 ✓ Leveraging of private resources into the system
- Employment opportunities FOR unemployed youth

Results

- Recognition and legitimization of the work of waste collectors
- Improved safety and well-being at work of waste pickers
- Ensured increase in average wages for collectors



Discussions on Market Systems in Cities

GROUP WORK – 30 MINS 2 GROUPS/ 2 tables/ 3 QUESTIONS Switch groups after 15 mins

General rules of thumb for MSA in urban cities

- 1. Dynamic and complex nature of emerging and evolving urban systems makes analysis important
- 2. Build on the advantages of urban agglomeration and counter its burden
- 3. Respond to needs of disadvantaged urban groups and informal producers
- 4. Increase the influence of groups in informal settlements

From: Market systems development in the cities of rapidly urbanising countries the BEAM Exchange