

# REPATR: EXPERIENCE WITH INFORMAL WASTE PICKERS IN GHANA

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Born and raised in Zurich (Switzerland) to parents of Ghanaian descent, Jeffrey Provencal grew up between two cultures. He studied banking and finance, before working at BlackRock for a few years. Looking to engage in a more purpose-driven activity, he later came across the concept of impact investing and chose to redirect his career path. In 2015, after winning a grant from the European innovative fund EIT Climate Kic, he created rePATRN, a startup that aims to solve Ghana's plastic waste mismanagement issue by working with informal waste pickers. He is now fully dedicated to the growth of rePATRN.

## REPATR: LEVERAGING THE INFORMAL ECONOMY TO RECYCLE PLASTIC

In Ghana, the combination of a rapidly growing population and an increasing affluence led to a dramatic rise in waste volumes. Plastic, and especially plastic bottle waste, is among the biggest challenge in the country. Informal waste pickers collect plastic, among other valuable materials, but the country lacks enforcement of waste management policies and adequate infrastructure to manage it. The idea of rePATRN as a recycling company started from an observation: apart from one company based in South Africa, no one was offering a service to recycle PET plastic at industrial scale, despite its wide use. rePATRN's ultimate purpose is to create the capacity to recycle PET plastic in large volumes, while leveraging the informal sector.

rePATRN's value chain works as follows: rePATRN's head of procurement, a former waste picker who knows exactly how things work in the field, recruits informal waste pickers. The latter add PET bottles to the materials they already collect – thus, their daily task is not fundamentally altered. They pass on the bottles to a trader, who delivers (by truck) the plastic to a production facility. Caps and other impurities are removed, plastic bottles are sorted by color and compressed into bales. The bales are then sold on to recycling companies abroad, and thus reintroduced into the supply chain. rePATRN's pilot was launched in 2015 in the port city of Tema, located 35 km from Accra. The objective was to prove that a significant amount of plastic could be collected. Between 2015 and 2020, rePATRN moved from collecting 10 to 20 metric tons of plastic every other month to 900 metric tons monthly.

rePATRN wants to have environmental, financial and social impacts. The removal and processing of PET bottles has a massive positive impact on the environment.

## WORKING WITH THE INFORMAL SECTOR: LESSONS LEARNED FROM REPATR'S EXPERIENCE

Including informal workers in the supply chain can be challenging for companies. Beyond best practices, working with informal workers requires adopting a specific mindset, and understanding informal workers' day-to-day activities and drivers.

- Understanding informal workers' habits is prerequisite. Many individuals, entrepreneurs and companies suffer from a major "savior's complex" when they look at the informal sector. But working with the informal sector should not mean imposing your own views. It rather means focusing on improving existing structures and behaviors. To efficiently engage informal workers in the long run, entrepreneurs need to consider the wealth of knowledge in local communities and work in their best interest. Co-creation with informal workers is a must for building efficient models.



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- A different time horizon. Most informal workers live their daily life on “survival mode,” and do not make plans or investments for the future – they cannot afford to. Engaging them by referring to long-term advantages or consequences probably won’t be relevant. Instead, informal workers tend to care about concrete, immediate improvements to their daily lives.
- Acknowledging informal workers’ rationality. On landfill sites, rePATRN teams noticed that waste pickers were not used to removing the cap when they collected plastic bottles – even though it could allow them to sell their plastic at a higher price. It first appeared irrational. Truth is, it requires them to put in an extra effort, and the cost-to-benefit ratio is not high enough to justify such a change.
- The importance of incentive mechanisms. Several “soft factors” and incentives also enter into account to guarantee informal workers’ loyalty. As an example, rePATRN often provides drivers with snacks: they know that they are appreciated and well treated and will be eager to keep working together in the future. This point is essential to building trust – even more so as companies sometimes take advantage of informal workers’ vulnerability.

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## PLANS FOR THE FUTURE

Five years after its creation, rePATRN has shown that its network of informal waste pickers is able to collect large volumes of plastic – to the point that the company had to tell collectors to slow down. Having demonstrated that it would be relevant and economically profitable to build PET recycling infrastructures in Ghana – since demand is strong – rePATRN now aims to move to the next step and initial goal: recycling. The company wants to strengthen its partnership with Veolia to address the PET challenges in Ghana together. Beyond strategic orientations, rePATRN also wants to improve the transparency and efficiency of payment transactions within its value chain. Currently, the trader is paid by the recycler at the facility, and then pays the picker. There is a delay between the two payments, which tends to increase the existing mistrust between pickers and traders – to keep the cash, traders sometimes tell pickers that the company does not pay them, which is not true. rePATRN would like to implement SAP electronic payments. Based on mobile money, this system is entirely transparent and could allow pickers to be informed in real time as soon as the trader is paid – and how much he has been paid. Finally, rePATRN also wants to adopt a fair-trade model in cooperation with fashion brands – its indirect clients. Indeed, several brands value rePATRN’s story: using recycled and traceable plastic – with a positive environmental and social impact – in their products and packaging allows them to add a mark-up to their prices, which could then be returned, as a bonus, to the waste picker. This could be a tool to go a step further in engaging informal waste pickers and bringing them added value.