



Reform for
Investment &
Sustainable
Economies



TOWARDS AN IMPROVED EXTENDER PRODUCER RESPONSIBILITY SYSTEM IN RWANDA

OCTOBER 2024

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List of abbreviations

BRC	Business Research Centre
COMESA	Common Market for Eastern and Southern Africa
EAC	East African Community
EEE	Electronic and Electrical Equipment
EIA	Environmental Impact Assessment
EPR	Extended Producer Responsibility
EU	European Union
ITU	International Telecommunication Union
MOU	Memorandum of Understanding
POM	Products on the Market
PPD	Public-Private Dialogue
PRO	Producer Responsibility Organisation
PSC	Project Steering Committee
PSF	Private Sector Federation
REMA	Rwanda Environmental Management Agency
RICA	Rwanda Institute for Conservation Agriculture
RRA	Rwanda Revenue Authority
RURA	Rwanda Utilities Regulatory Authority
SADC	Southern African Development Community
SC	Steering Committee
SPIU	Single Project Implementation Unit

EXECUTIVE SUMMARY

EU Africa RISE and Switch to Green Facilities joined forces in 2024 to support further work on the implementation of an Extended Producer Responsibility (EPR) system in two countries Zambia and Rwanda.

Implemented under “PRO EPR Proof of concept”, the initiative focussed in Zambia mainly on piloting a Producer Responsibility Organisation (PRO) EPR system, whereas in Rwanda on the development of the organisation and governance structure for a PRO, with learnings from both countries shared across countries and regions, beyond.

The project had a primary focus on plastics while also considering the applicability to other waste streams, such as e-waste.

The “Towards an Improved EPR system in Rwanda” report is about the work done in Rwanda and includes an evaluation of the current frameworks and systems, and key elements that are needed to improve both the governance structure and the legal framework for PRO-EPR. The result maybe used as a benchmark for other African countries.

Activities conducted covered an internal legal review of the governance structure within the Private Sector Federation (PSF) in order to prepare its engagement with the Rwanda Utilities Regulatory Authority (RURA). They also included a feasibility study of establishing a governance structure under the Business Research Centre, a separate legal entity under PSF. The objective was to determine whether it could govern a PRO covering both plastics/packaging and electronic and electrical equipment (EEE) waste streams.

THE CONTEXT

Under the supervision of the Ministry of Environment, the Rwanda Environment Management Authority (REMA) has the legal mandate for national environmental protection, conservation, promotion, and overall management. In 2011, a cabinet resolution mandated the formation of Single Project Implementation Units (SPIUs) across line ministries and public agencies. Whilst REMA oversees implementation and provide strategic leadership, these SPIUs were created as an institutional framework to guide the design and implementation of projects aimed at fast-tracking the fulfilment of targets outlined in sector strategic plans deriving from Rwanda's Vision 2020.

PSF is an umbrella organisation comprising ten professional chambers. Its core mission is to promote, represent, and serve the interests of the private sector. The Business Research Centre (BRC) is the research arm of PSF and focuses on conducting business research, policy analysis, as well as developing models and delivering advisory services. The BRC aims to bridge the research and innovation gap within Rwanda's private sector and provide necessary evidence to advocate and lobby for reforms.

KEY FINDINGS AND RECOMMENDATIONS

- BRC is responsible for managing EPR but unfortunately understaffed. This limited capacity is insufficient to meet the country-wide enforced EPR obligations for the entire plastic packaging waste stream. In order to improve and become a more efficient operational PRO, an enhanced organisational structure needs to be defined. In addition, training staff on EPR requirements and its best practices must be delivered to improve EPR regulatory implementation as well as compliance.
- The PRO must have its own governance structure within PSF, including a Board of Directors. This will lead to strategic direction and a management approach in terms of monitoring, reporting and evaluation. A financial model that ensures sustainability of the PRO is highly necessary. This includes securing funds from private sector members and grants from government agencies and international cooperation. It is also important that financial management is transparent to provide accountability and build credibility of the PRO.

- In terms of meeting the legal and compliance requirements, a closer partnership with RURA must be sought. The partnership will equally support the draft of new legislation that improves the legal framework in the country. Last but not least, a public awareness campaign must be designed and launched. The importance of EPR and the role of the PRO must gather public support and participation. The collaboration with existing reknown educational institutions is highly recommended and advocate for EPR topics to be integrated into the curriculum.
- The principal legislation governing plastic management prohibits manufacturing, importing, using, and selling plastic carry bags and single-use plastic items. This law aims to protect the environment, the economy, and public health from the adverse effects of disposable plastics. This law is a critical measure in Rwanda's efforts to combat plastic pollution and promote sustainable environmental practices.
- Despite the acknowledgement of damages cause by polythene bags, there are other types of plastics that pose significant environmental risks. The legislation therefore, needs to extend its scope to include other plastic materials. The amendment must equally include the payment of an EPR fee. For the same purpose, the PSF and REMA should provide EPR fee calculation tables for all products in scope on their respective public databases. These may serve as guidelines and minimum and maximum thresholds, whereas the PSF or other EPR system providers may have varied pricing depending on the specific services provided.
- The PSF-REMA collaboration will be instrumental on regulatory amendments. Besides extending plastic types and establishing a fee-based system, clear standards and targets for waste management practices are needed. Furthermore, government support to set EPR targets for the collection, recycling, and recovery of plastic packaging waste is highly recommended. These targets must be obliged and achieved by every producer under the EPR system. Targets will typically be a percentage of products put on the market so as not to overburden the industry and be proportionate to a company's size. Despite compliance requirements, the PRO has difficulties in engaging with producers to subscribing them to the EPR system. Incentives for participation such as subsidies for product circularity investments, integration of the informal sector and tax reductions are highly recommended specially at early stages of implementation.
- An effective monitoring system and control measures are required for incentives as well as penalties. These are tied to an effective and user-friendly EPR electronic registry. Regular audits will be necessary to ensure that data is reported accurately and fraudulent practices are detected and operator penalised. Licensing and registration process must be integrated into the same electronic registry system. Other existing systems such as the Rwanda Trade Portal with its step-by-step description of EPR compliance and registration processes, must be integrated and leveraged to fully support plastic packaging. Providing clear and detailed information on the trade portal, along with comprehensive usage instructions, ensures that the industry cannot claim ignorance or lack of knowledge as a reason for non-compliance.
- PSF may continue leveraging BRC's legal and administrative capacity to function as a PRO for plastic waste management and utilise the established relationships with stakeholders and its technical support from the EU and the ITU to develop an effective operational model for managing a PRO in Rwanda.

In conclusion, the challenge is to transition PSF/BRC from limited, project-based activities to a robust, regulatory-backed PRO that can manage the entire plastic packaging waste stream. In order to achieve such a strong market position, some operational and structural changes are required.

1. INTRODUCTION

Two EU funde facilities joined forces in early 2024 to implement a PRO-EPR model in Zambia and provide recommendations to a governance structure as well as a legal framework for PRO-EPR in Rwanda. The planned activities to support the PRO-EPR system intend to improve waste management, specifically targeting plastics. Specifcially it involves designing a PRO EPR model to handle waste management operations funded by producers, and aiming at increasing waste collection and recycling rates while reducing landfill dependency. It proposes to complement the International Telecommunication Union's (ITU) activities on e-waste and EPR for electronics.

WORK IN RWANDA

In Rwanda, the project involves the development of the basic organisation and governance structure for the PRO with a primary focus on plastics while also considering the applicability to other waste streams, including electronic waste (e-waste). Activities involve conducting an internal legal review of the governance structure within the Private Sector Federation (PSF) to prepare for engagement with the Rwanda Utilities Regulatory Authority (RURA). Furthermore, the feasibility of establishing a governance structure under the Business Research Centre, a separate legal entity under PSF, will be examined to determine whether it can govern a PRO covering both plastics/packaging as well as electronic and electrical equipment (EEE) waste streams.

The work aims at collecting and communicating to RURA on how a PRO can be established, licensed, and regulated within the country, building upon initial work undertaken by the ITU under the Green GovStack Initiative, which identified PSF as the suitable entity to house the PRO.



2. KEY FINDINGS: LEGAL AND ADMINISTRATIVE LANDSCAPE

2.1. LEGAL REGIME FOR THE MANAGEMENT OF PLASTICS RELEVANT TO EPR

In Rwanda, the principal legislation governing plastic management is Law N° 17/2019 of 10/08/2019, which prohibits manufacturing, importing, using, and selling plastic carry bags and single-use plastic items. This law aims to protect the environment, the economy, and public health from the adverse effects of disposable plastics. One significant impact of such plastics is their ability to prevent rainwater from penetrating the soil, which can have detrimental environmental consequences.

According to Article 3 of the law, the manufacturing, use, importation, or sale of polythene bags and single-use plastic items is strictly prohibited. The legislation stipulates that any person found manufacturing these items is subject to the closure of their business operations, confiscation of the prohibited items, and administrative penalties. These actions are enforced unless conducted in accordance with specific procedures and regulations outlined in the law. This law is a critical measure in Rwanda's efforts to combat plastic pollution and promote sustainable environmental practices.

2.2. GOVERNANCE STRUCTURE OF REMA RELEVANT TO PLASTIC MANAGEMENT

Under the supervision of the Ministry of Environment, the Presidential Order N° 033/01 of 06/05/2022 grants the Rwanda Environment Management Authority (REMA) the legal mandate for national environmental protection, conservation, promotion, and overall management. This mandate includes providing advisory services to the government on all matters related to the environment and climate change.

REMA is the designated government agency responsible for managing and coordinating environmental compliance and regulatory enforcement. A cabinet resolution in 2011 mandated the formation of Single Project Implementation Units (SPIUs) across line ministries and public agencies. Whilst REMA oversees implementation and provide strategic leadership, the objective of these SPIUs was to create an effective institutional framework to guide the design and implementation of projects aimed at fast-tracking the fulfilment of development targets outlined in various sector strategic plans, all derived from Rwanda's Vision 2020. These SPIUs also manage and supervise consultants, contractors, and suppliers involved in the planning and delivering of all components.

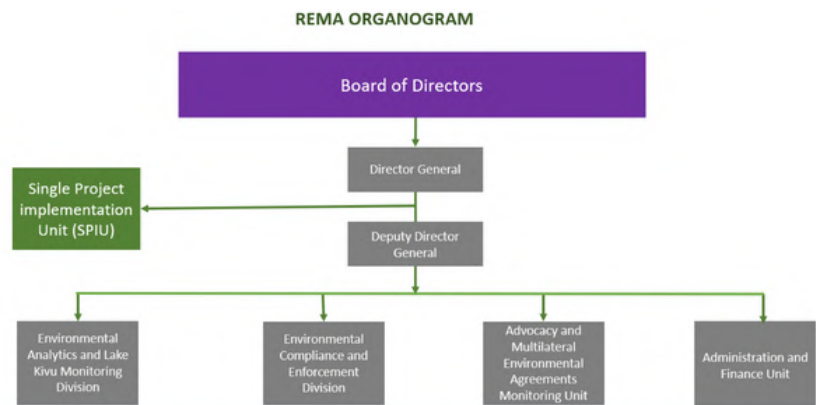


Figure 1 Position of the SPIU in terms of the REMA Organogram. (Source: BFS, 2024)



3. KEY FINDINGS: ROLE OF THE PRIVATE SECTOR FEDERATION (PSF) AND ADMINISTRATION OF COMPLIANCE

3.1. APPLICABILITY OF PSF AND BRC FOR OPERATING THE PRO

Established in December 1999 to replace the former Rwanda Chamber of Commerce and Industry, PSF functions as an umbrella organisation comprising ten professional chambers. The Business Research Centre (BRC), which commenced operations in 2022 as the research arm of PSF, focuses on conducting business research, policy analysis, and developing business models and advisory services.

3.1.1. Current State of PSF and BRC

Legal Mandate and Operation Mode

PSF operates under the legal framework provided by Law N° 66/2018 of 30/08/2018, which regulates labour in Rwanda. Articles 85 and 86 stipulate that employees' and employers' organisations must be registered with the Ministry of Labour. Once the Articles of Association are published in the Official Gazette, an employers' organisation like PSF becomes a legal entity. The BRC is registered as a company limited by guarantee under Law N° 007/2021 of 05/02/2021, which governs companies in Rwanda and is primarily used for non-profit organisations with members' liability limited to a pre-agreed amount.

Mission and Membership

PSF's core mission is to promote, represent, and serve the interests of the private sector in Rwanda through advocacy and the provision of timely and relevant business development services. These efforts aim to foster sustainable, private sector-led economic growth and development. Membership in PSF is open to business professional organisations structured as associations, chambers, cooperatives, and industry chains. The BRC aims to bridge the research and innovation gap within Rwanda's private sector and provide necessary evidence to lobby for reforms.

Financial Model

PSF supports financial disbursements based on approved action plans by the project steering committee and is accountable for the effective use of resources, including conducting annual audits. Although recently established, the BRC focuses on policy analysis and business research, improving access to key information and enabling informed advocacy.

Current Organisational Setup for EPR

Currently, there is only one staff member administering EPR within the BRC, who also handles other responsibilities. This limited capacity is insufficient to meet the country-wide enforced EPR obligations for the entire plastic packaging waste stream, which requires additional staff for administration, operations, IT, customer relations management, and marketing.

In order to improve and become a more efficient operational PRO, an enhanced organisational structure needs to be defined; please refer to section 6.3.

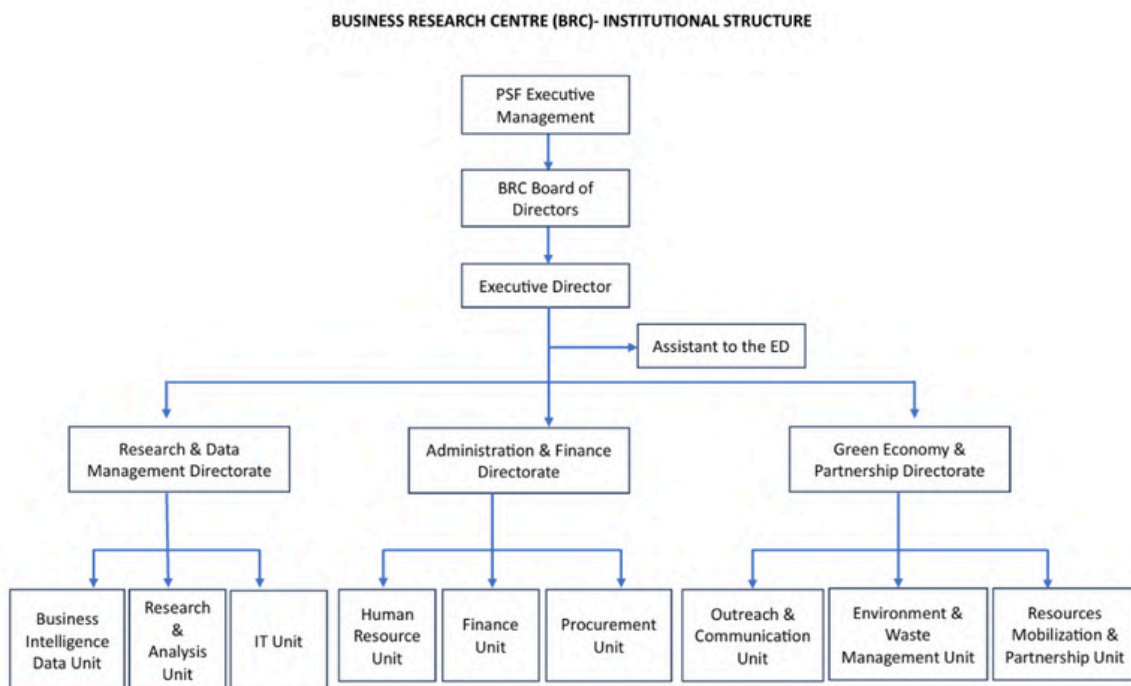


Figure 2 Position of the EPR system within the BRC Organogram. (Source: BFS, 2024)

Analysis for Becoming a PRO

Legal Requirements: The establishment of a PRO within PSF must comply with the legislative requirements analysed in Section 3. This includes adhering to Law N° 17/2019 of 10/08/2019, which governs the management of plastics in Rwanda, and ensuring that the PRO structure is capable of meeting the mandates set by the Rwanda Utilities Regulatory Authority (RURA).

Operational and Structural Enhancements: To transform into an effective PRO, PSF and the BRC need to undergo significant enhancements:

1. Staffing and Capacity Building: Increasing the number of dedicated EPR staff within the BRC to handle various functions such as administration, operations, IT, customer relations, and marketing is essential. Additionally, training existing staff on EPR requirements and best practices will ensure compliance and effective implementation.

2. Governance and Management: Establishing a dedicated governance structure within PSF for the PRO, including a board of directors specifically overseeing EPR activities, will provide clear strategic direction. Developing a comprehensive management strategy for the EPR system, including monitoring, reporting, and evaluation mechanisms, will be crucial for its success.

3. Financial Sustainability: Developing a robust financial model to ensure the sustainability of the PRO is necessary. This includes securing funding from private sector contributions, government grants, and international aid. Implementing transparent financial management systems to track contributions, expenditures, and financial performance will enhance accountability and efficiency.

4. Regulatory Compliance and Advocacy: Engaging with RURA and other relevant regulatory bodies to ensure the PRO meets all legal and compliance requirements remains crucial. As recommended by RURA, continuing with the existing arrangement for plastic waste management is advised. Additionally, PSF should continue advocating for supportive policies and regulations that facilitate the effective implementation of the EPR system.

5. Public Awareness and Education: Launching public awareness campaigns to educate stakeholders about the importance of EPR and the role of the PRO will garner public support and participation. Collaborating with educational institutions to integrate EPR topics into curricula will foster a culture of sustainability.

Content of application dossier

Gaps in the organisational setup for EPR:

- There is currently only one staff member administering EPR in the Business Research Council
- The staff member, the Head of Green Economy and Environment, has a scope of responsibilities apart from EPR
- Country-wide enforced EPR obligations for the entire plastic packaging waste stream requires further staff capacity for administration, operations, IT, customer relations management, and marketing.

3.2. STATUS QUO - ADMINISTRATION OF COMPLIANCE REGIME / PLASTIC MANAGEMENT

In 2008, Rwanda enacted Law N° 57/2008 of 10/09/2008, which prohibited the manufacturing, importation, use, and sale of polythene bags. Recognising that other types of plastics also pose significant environmental risks, there was a need to extend the scope of the law to include these materials. Consequently, Law N° 17/2019 of 10/08/2019 was adopted to prohibit the manufacturing, importation, use, and sale of plastic carry bags and single-use plastic items. This law aims to curb the growing habit of unnecessary consumption and disposal of single-use plastic items, which burden the environment. By principle, these items are prohibited. However, Article 4 of the law allows for special authorisation in exceptional cases, as outlined by the national environmental protection authority.

To enforce Article 4, the Rwanda Environment Management Authority (REMA) developed guidelines detailing the procedures and conditions for eligibility to grant exceptional permission. These guidelines specify who should apply, the application process, and the necessary elements of the application file, including the appeal process. The procedures are summarised in the process flow diagrams in Figures 2 and 3.

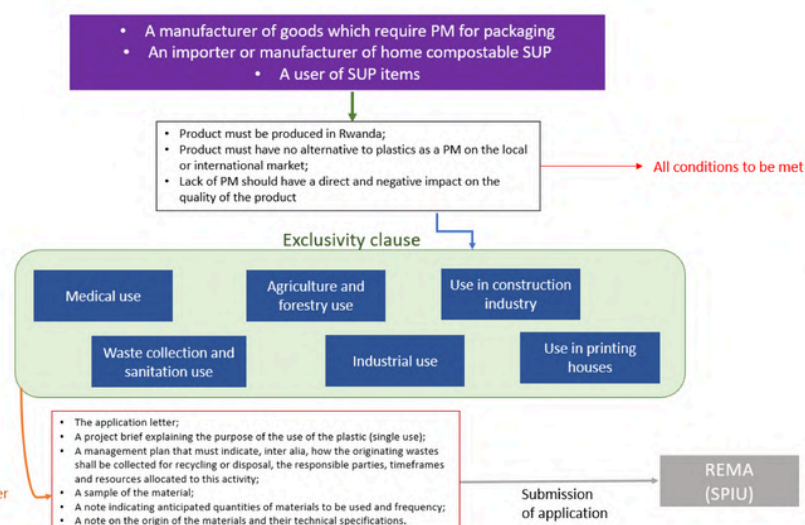


Figure 3 Eligibility to Grant Exceptional Permission. (Source: BFS, 2024)

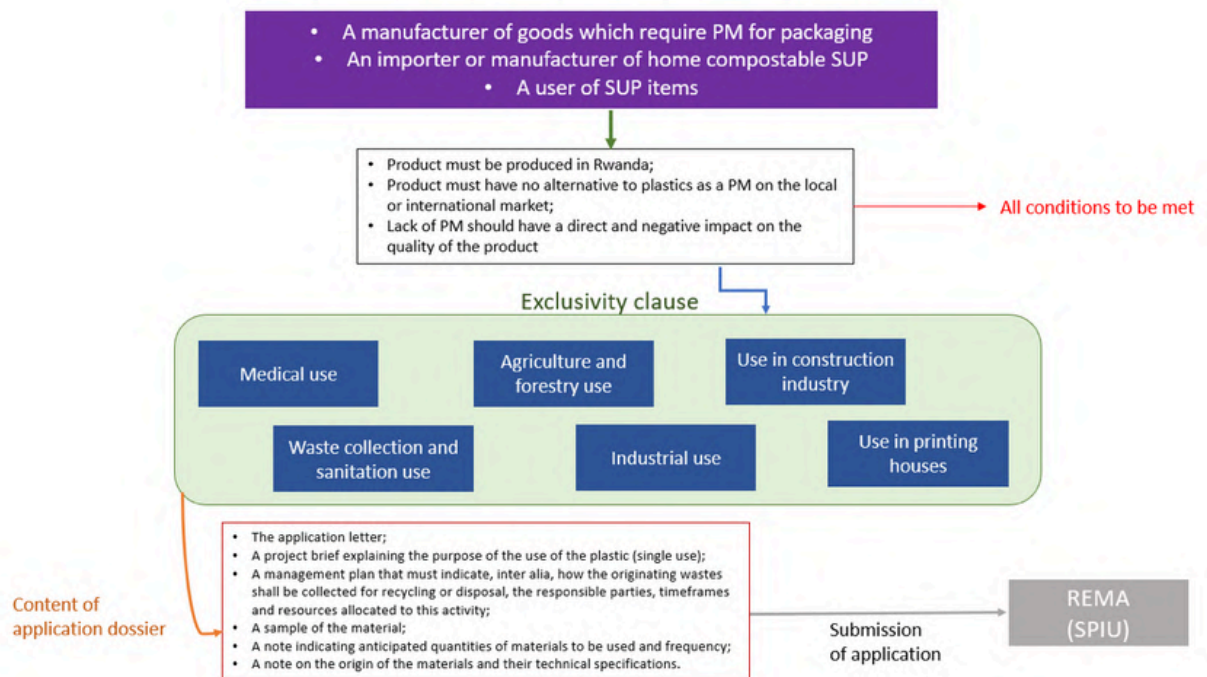


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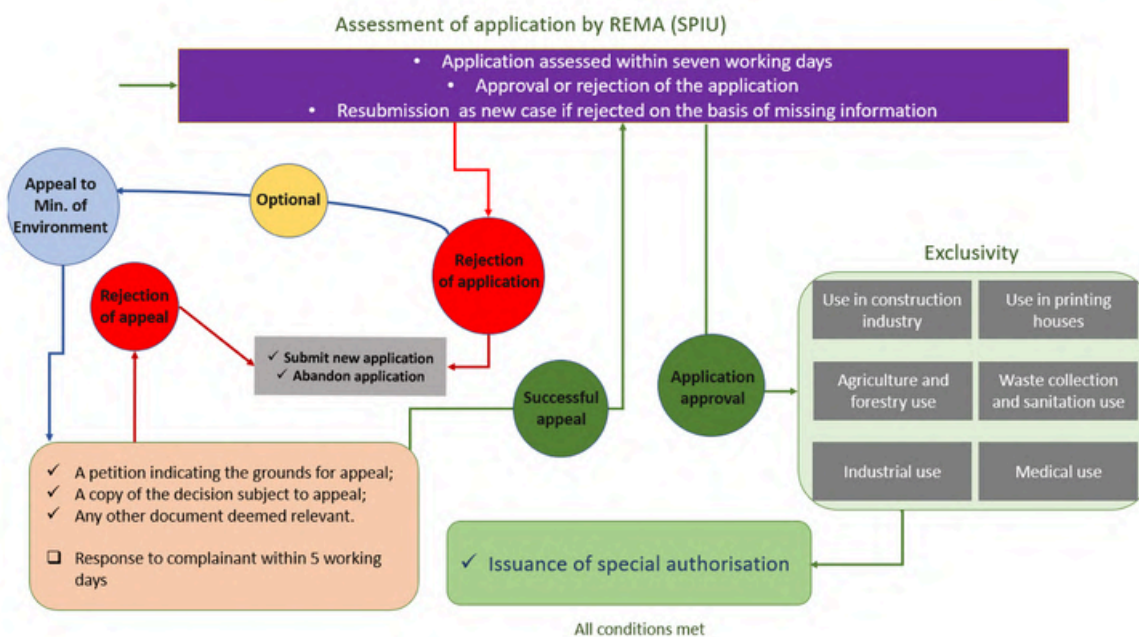
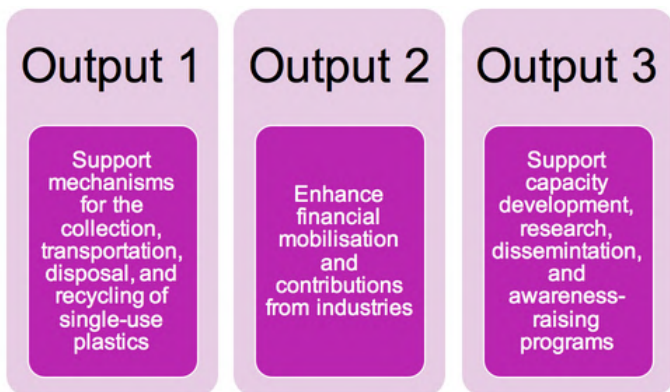


Figure 4 Eligibility to Grant Exceptional Permission. (Source: BFS, 2024)

In 2020, REMA signed a Memorandum of Understanding (MoU) with the Private Sector Federation (PSF) to support various initiatives, including:

1. Developing strong institutional cooperation through intensive technical and legal evaluation to promote circular economy strategies and implementation plans.
2. Supporting a joint administrative team to foster private cooperation and investment in sustainable plastic manufacturing, reuse, recycling, and waste management.
3. Establishing a joint administrative team between PSF and REMA to monitor the development of a single-use plastic collection and recycling model regularly.
4. Creating a platform that brings together private sector actors, including small and medium enterprises, producers, and users of plastics, as well as the informal waste management sector, academia, and regulators, to promote the adoption of the circular economy.
5. Consulting and developing supportive policies and regulations for the circular economy.

Arising from this MoU, PSF and REMA are currently implementing a project titled "Sustainable Management of Single-Use Plastics for the Period 2021–2025." The project aims to achieve three primary outputs:



- **Output 1:** Support mechanisms for the collection, transportation, disposal, and recycling of single-use plastics.
- **Output 2:** Enhance financial mobilisation and contributions from industries.
- **Output 3:** Support capacity development, research, dissemination, and awareness-raising programs.

The implementation of the MoU is coordinated and overseen by a national steering committee comprising senior staff from REMA, PSF, the Ministry of Trade and Industry, the Rwanda Standards Board, and representatives from recycling companies and importers. The National Steering Committee (Project Board) is responsible for making management decisions and providing recommendations for project plans and revisions.

REMA is the designated government agency responsible for managing and coordinating the project through the Single Project Implementation Unit (SPIU). REMA also monitors and evaluates interventions to support the achievement of project outputs. When technical support is needed, REMA hires and contracts technical staff and provides overall guidance for the technical components of the project.

PSF's role is to encourage private-sector resource mobilisation and ensure timely contributions from every eligible institution or company. PSF supports financial disbursements based on the project's approved action plan by the project steering committee (SC) and is accountable for the effective use of resources. This includes conducting annual audits, with findings presented to the SC meeting for approval.



Gaps in the current compliance administration for single use plastics:

- **Lack of comprehensive EPR regulation:** There is currently no comprehensive EPR regulation defining the responsibilities of the stakeholders involved in the Circular Economy
- **Limited scope of the MoU:** The scope of the MoU is limited to single-use-plastics
- **Broader scope of activities:** The MoU has a broader scope of activities, potentially allowing for a false allocation of funds for activities apart from waste management and respective awareness creation
- **Insufficient waste management services:** The PSF, and the BRC specifically, are supporting their members in the evasion of the single use plastics ban but are not providing comprehensive waste management services
- **Administrative burden of special authorization:** The special authorization for commercial purposes is granted on a one-off basis, requiring administrative burden for every new application

3.2.1. Analysis in the Context of PSF Readiness for Becoming a PRO

Current Capabilities and Challenges: PSF, through its existing MoU with REMA and its ongoing projects, has established a foundational framework for supporting plastic waste management initiatives. However, the current gaps in compliance administration highlight the need for a more structured and comprehensive approach to EPR. The challenge is to transition from limited, project-based activities to a robust, regulatory-backed PRO that can manage the entire plastic packaging waste stream.

Operational and Structural Enhancements Required:

- **Development of Comprehensive EPR Regulations:** PSF needs to work closely with REMA and other regulatory bodies to develop comprehensive EPR regulations that clearly define the responsibilities of all stakeholders. This will provide a solid legal framework for the effective implementation of EPR.
- **Expanding the Scope of the MoU:** The scope of the MoU should be expanded to include a broader range of plastic waste types, not just single-use plastics. This will ensure that all relevant plastic waste streams are managed effectively under the EPR system.
- **Dedicated Waste Management Funding:** Ensure that funds collected under the EPR system are earmarked specifically for waste management activities. This will prevent the misallocation of resources and ensure that the funds are used effectively to achieve the desired outcomes.
- **Provision of Comprehensive Waste Management Services:** PSF and the BRC should expand their services to provide comprehensive waste management solutions, including collection, recycling, and disposal of plastic waste. This will enhance the overall effectiveness of the EPR system and ensure that all stakeholders are supported.
- **Streamlining the Authorization Process:** Simplify the special authorization process by considering a more flexible licensing model, such as offering both annual and need-based licensing options. This will reduce the administrative burden while allowing businesses, particularly SMEs with limited cash flow, to align their payments and compliance with actual industrial needs, rather than requiring an annual budget for EPR fees. Simplify the special authorisation process by moving to an annual licensing model. This will reduce the administrative burden and make it easier for businesses to comply

3.3.STATUS QUO - REGISTRATION AND ADMINISTRATION SYSTEM UNDER REMA/PSF MOU

In accordance with Article 4 of the Law, the procedures and conditions for granting exceptional permission remain unchanged under the Memorandum of Understanding (MoU) between the Rwanda Environment Management Authority (REMA) and the Private Sector Federation (PSF), with a slight modification. The application file must now go through PSF to pay the Extended Producer Responsibility (EPR) fee, which is determined based on the weight of the plastics intended for import. PSF then issues a recommendation letter, essentially a certificate, indicating the number of authorised imports and the amount paid.

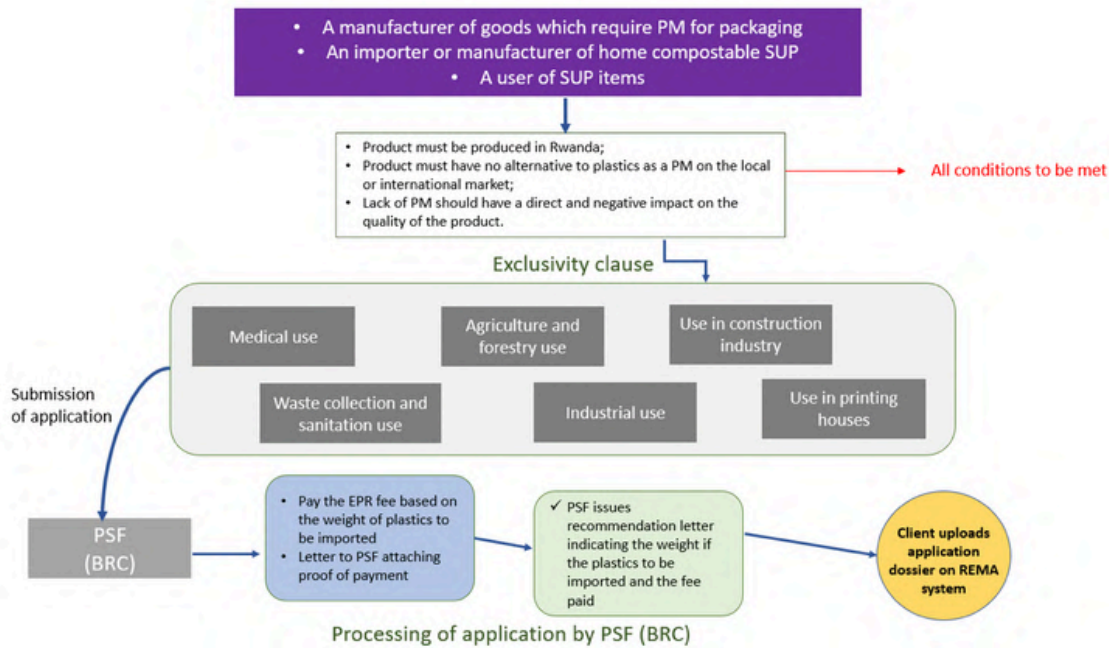


Figure 5 Eligibility to Grant Exceptional Permission with PSF Requirement. (Source: BFS, 2024)

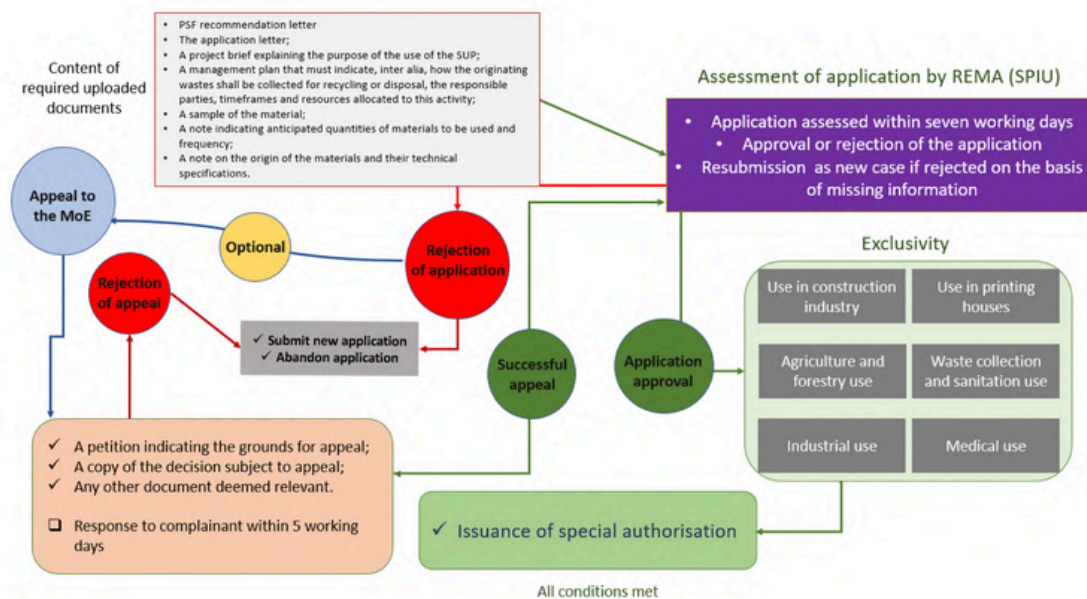


Figure 6 Eligibility to Grant Exceptional Permission with PSF Requirement. (Source: BFS, 2024)

Since the project's inception in 2020, PSF has successfully engaged private companies committed to contributing financial resources, amounting to 535'023.89 USD (690'924'600 RWF). The project collects an EPR fee calculated at a minimum rate of 7 cents (90 RWF) per kilogram of plastics per month, but it is important to note that PSF pays the recyclers 20 cents (250 RWF) per kilogram to handle the waste

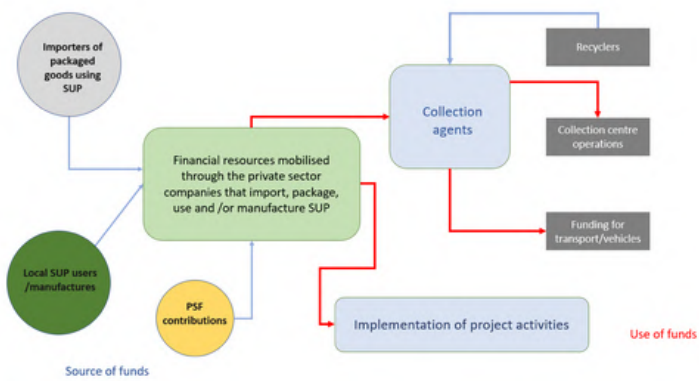


Figure 7 REMA PSF Project Funding Model. (Source: BFS, 2024)

It is expected that the budget will increase as more private companies are mobilised and agree to contribute. This funding approach is detailed in the model described in Figure 6.

Identified Gaps in current PSF/ BRC operations as PRO:

- Funding limitations: Apart from special authorization fees, PSF has to acquire additional funds from producers proactively and thereby count on their voluntary contribution
- Non-earmarked funds: The funds are not earmarked for accurate waste management of plastic packaging
- Underestimation of financial needs: The financial volume collected to date misprices the costs of single-use-plastics waste management in Rwanda since 2020
- Voluntary participation: Members have to be mobilized by PSF without regulatory leverage nor further incentives

3.3.1. Analysis in the Context of PSF as a PRO

Current Capabilities and Challenges: PSF, through its partnership with REMA, has laid the groundwork for administering an EPR system by collecting fees and issuing permits. However, the reliance on voluntary contributions and non-earmarked funds, coupled with an underestimation of financial needs, highlights significant gaps in the current operational model. The challenge is to transition from a voluntary, underfunded system to a robust, regulatory-backed PRO that can effectively manage the entire plastic packaging waste stream.

Operational and Structural Enhancements Required:

1. Secured and Earmarked Funding:

Establishing a secure and earmarked funding mechanism is crucial. PSF needs to ensure that all collected EPR fees are specifically allocated for plastic waste management. This can be achieved by working with regulatory bodies to mandate contributions and creating a transparent financial management system.

2. Regulatory Leverage:

Engaging with REMA and other regulatory bodies to establish mandatory EPR compliance for all producers and importers of plastic packaging. This regulatory leverage will provide PSF with the authority to enforce participation and ensure adequate funding.

3. Accurate Cost Assessment:

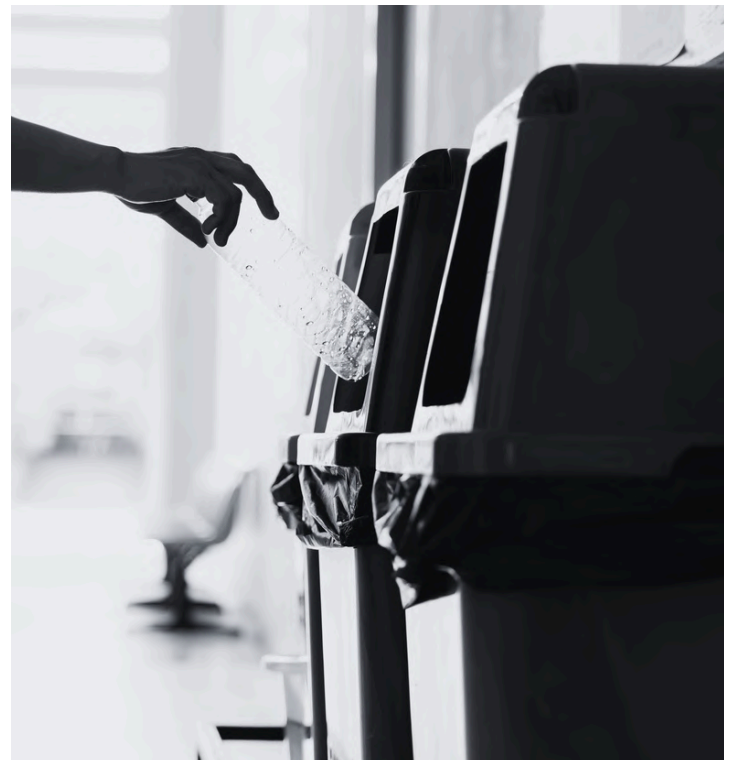
Conducting a comprehensive cost assessment of plastic waste management to determine the actual financial needs. This assessment will inform the required EPR fee structure to ensure sufficient resources are available for effective waste management.

4. Enhanced Mobilisation and Incentives:

Developing strategies to mobilise members more effectively, including offering incentives for compliance and participation. These could include tax benefits, public recognition, or reduced operational costs through shared waste management infrastructure.

5. Capacity Building:

Expanding the staffing and capacity within the BRC dedicated to EPR. This includes hiring more personnel focused on administration, operations, IT, customer relations, and marketing, ensuring that PSF can manage the increased workload and complexity of a comprehensive EPR system.



4. REGULATORY RECOMMENDATIONS

EPR plays a crucial role in sustainable waste management by holding producers accountable for the entire lifecycle of their products, including end-of-life disposal. However, the PSF currently faces challenges in implementing effective EPR due to the lack of a robust legal framework. To address this, it is our strong recommendation that PSF continue to work closely with the REMA and the Ministry of Environment. Collaborative efforts should focus on lobbying for regulatory amendments that establish clear standards and targets for waste management practices. These amendments are essential to empower PROs to effectively fulfil their EPR obligations and support the government's environmental goals. By advocating for these regulatory changes, PSF can help ensure a sustainable and environmentally responsible approach to waste management.

4.1. EXPANDING PRODUCT SCOPE AND EXCLUSIVITY

1. Revise the law to expand the product scope beyond plastic carrier bags and single-use plastic items to include:

- Paper and paper packaging materials
- Plastic packaging
- Biodegradable and compostable packaging
- Single-use products (including compostable and biodegradable)
- Glass packaging
- Metal packaging containers

2. Ensure the scope includes the importation of these products in finished form, not just raw materials.

3. Maintain the exclusivity clause for sectors such as:

- Medical use
- Agriculture and forestry use
- Waste collection and sanitation use
- Construction industry use
- Industrial use
- Printing houses

4.1.1. Targets

It is strongly recommended that the government support the setting of EPR targets for the collection, recycling, and recovery of plastic packaging waste, which must be achieved by every producer obliged under the EPR system. Without targets, the EPR system risks underperform as producers and PROs are not obliged to meet quantitative environmental and operational performance standards. These targets will typically be a percentage of products put on the market of the country so as not to overburden the industry and be proportionate to the organisation's size.

- Waste collection targets: Indicate the amount that should be collected with the aim of further treatment;
- Recycling targets: Display the amount of waste that is sent to any recovery operation by which waste materials are reprocessed into products, materials or substances, whether for original purposes or other purposes;
- Energy recovery targets: Specify the amount of the collected waste that is sent to any operation, the principal result of which is waste serving a useful purpose by replacing other materials that would otherwise have been used to fulfil a particular function.
- Another possible target: Minimum recycled content target

The first-year targets should be set slightly above the current rates for collection, recycling, and recovery so as not to overburden the industry but to immediately bring an improvement to the status before EPR. Thereafter, the targets should increase on an annual basis.

4.2. INCENTIVES FOR PARTICIPATION AND PENALTIES FOR NON-COMPLIANCE

1. Benchmark incentives for EPR system participation. Despite compliance requirements, the PRO and appointed government authorities will have a heavy burden of engaging with the obliged producers in the country and subscribing them to the EPR system. This is especially critical in the early implementation phase of EPR with limited awareness and capacity in the industry. Incentives for participation may be subsidies for product circularity investments, tax reductions, and industry association memberships, amongst various other possible tools.

2. Benchmark penalties against other national regulations to ensure they are wide-ranging and flexible enough to address different severities of non-compliance.

Penalties can be imposed on:

- Producers for not registering;
- Producers reporting false POM information;
- Producers not fulfilling their obligations (either in an individual solution or via a PRO);
- PROs or individual EPR schemes not fulfilling the appointed services;
- Waste Operators not being licensed;
- Waste Operators report false information about collected, recycled, and recovered amounts of waste (common fraud cases in emerging markets).

Strict and effective monitoring and control measures are required for both penalties and incentives, which are tied to the electronic registry for EPR. Furthermore, regular audits ensure that data is reported accurately and fraudulent practices are detected.

4.2.1. Maintaining the Ban on Plastics

Keep the general ban on manufacturing, importation, use, and sale of plastic carry bags and single-use plastics as stipulated in Law N° 17/2019. The plastic ban has proven effective in Rwanda, demonstrating the society's ability to avoid environmentally harmful products. Reversing this progress due to EPR implementation risks reopening the market for such products, undermining the positive environmental impact achieved so far.

4.2.2. Defining Responsibilities

Clarify roles and responsibilities between REMA, PSF, RICA, and RRA to avoid overlaps.

Identify and integrate applicable international standards into revised regulations to minimise cross-referencing and ensure ease of understanding for all stakeholders.

4.3. LICENSING AND REGISTRATION

• Change the licensing and registration validity from per authorisation to annual licensing and one-time registration. Currently, the sale of in-scope products in Rwanda is permitted as an exception to a general ban, necessitating administrative approval for each authorisation request. To streamline this process, Rwanda could adopt international EPR practices by implementing an annual EPR plan. Under this plan, producers would pay an EPR service fee based on the total estimated quantity of products placed on the market (POM) annually.

• Integrate the licensing and registration process into the Irembo system for seamless government sector integration. Furthermore, the Rwanda Trade Portal's step-by-step description of EPR compliance and registration processes should be leveraged to include plastic packaging. Unlike any other African nation, Rwanda hereby offers clear instructions for producers selling onto the local market. Providing clear and detailed information on the trade portal, along with comprehensive usage instructions, ensures that the industry cannot claim ignorance or lack of knowledge as a reason for non-compliance: <https://rwandatrade.rw/objective/960?l=en>

4.4. FEE STRUCTURE

Amend the law to include the payment of an EPR fee through an extended producer responsibility system, not just a fee for exceptional permission. For the same purpose, the PSF and REMA should provide EPR fee calculation tables for all products in scope on their respective public databases. These may serve as guidelines and minimum and maximum thresholds, whereas the PSF or other EPR system providers may have varied pricing depending on the specific services provided.

4.5. ITERATIVE IMPROVEMENTS

Implement continuous improvement processes to adapt and refine the EPR system based on feedback and performance data collected and reviewed on an annual basis.

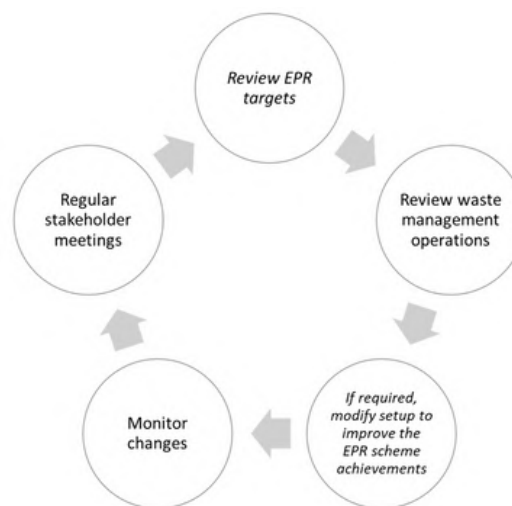


Figure 8 Annual EPR system review. (Source: BFS, 2024)

4.6. INCLUSION OF THE INFORMAL SECTOR

Informal sector waste management workers should be included in the EPR system, and the PRO should provide for their integration either directly or by requiring this in its procurement. The costs incurred by the waste operators and the PRO for the informal sector inclusion should be included in the EPR fee.

- Technology Integration: PROs can leverage digitalisation solutions such as digital registry tools and mobile money to encourage transparent tracking of activities and fair payment;
- Training and support: PROs can provide training and support to informal Waste Workers on how to collect and sort waste in a safe and efficient manner;
- Access to markets: PROs can work with governments and businesses to ensure that informal Waste Workers have ready access to markets for recyclable materials;
- Permits and licenses: PROs can work with governments to ensure that informal Waste Workers have access to the necessary permits and licenses. This could involve working with governments to waive permit fees or streamline the licensing process for informal Waste Pickers;
- Sustainable Finance: PROs can develop finance programs and financial literacy initiatives to provide informal businesses with affordable credit and financial management skills, aiming at infrastructural and operational investments

Informal sector workers shall:

- Register with a registered Collection Center or Recycler or PRO in order to be eligible to receive collection subsidies;
- Alternatively, join a cooperative or association that will manage the relationship with the Collection Center the Recycler or the PRO on their behalf;
- Access to approved transportation system/carts;
- Access to PPE;
- Apply sorting and transportation procedures received from the Collector or the PRO;
- Communicate sorting instructions to Consumers;
- Use the traceability system provided by the Collector or the PRO;
- Bring all WPP only to approved Collectors or Recyclers.

4.7. PUBLIC AWARENESS AND EDUCATION

It is highly recommended that public awareness campaigns are launched to educate the public about the importance of plastic waste management and the EPR system. Collaboration with established educational institutions can be crucial to integrate plastic waste management topics into their curricula.

It is equally important, to provide financial resources and knowledge support to community organisations. These institutions have a strong role to play in promoting grassroots involvement in plastic waste management.

4.8. ROLE OF THE PRO AS PART OF THE REGULATORY FRAMEWORK

The PRO can be charted with a role that is embedded in the regulatory framework and include:

- Require producers obliged to contribute to the EPR system to provide an annual EPR plan, developed by themselves or by the appointed PRO, with a strict template of information requirements, including an operational plan, an EPR fee allocation, and an Environmental Impact Assessment (EIA).
- Establish their own supply chain to ensure they can meet the required targets while complying with relevant guidelines and the law.
- PROs are encouraged to resort to and develop – by way of training and commercial commitment – the existing actors involved in collecting and treating the waste.
- PROs are encouraged to create tangible opportunities for informal waste pickers to participate in the EPR System.
- Ensure traceability and documentation of the waste flow throughout the reverse chain.
- Distribute payment to waste operators corresponding to the waste flows handled and the operations performed.
- Provide investment incentives to waste operators. Such incentives can be financial or contractual.
- Adopt transparent procurement practices.
- Audit waste operators from time to time to verify the accuracy of the data reported and the compliance of the operations with the guidelines, contractual terms, and regulatory requirements.
- The financial statements of the PRO will be audited on a yearly basis by third-party statutory auditors.
- The audit report will be annexed to the yearly compliance report prepared by the PRO and communicated to REMA.



5. KEY FINDINGS: PSF SPECIFIC RECOMMENDATIONS

PSF may continue leveraging BRC's legal and administrative capacity to function as a PRO for plastic waste management and utilise the established relationships with stakeholders and its technical support from the European Union and the International Telecommunication Union to develop an effective operational model for managing a PRO in Rwanda. The following targeted recommendations shall support the progress of capacity building :

5.1.EPR FEE CALCULATION

Conduct an impact and financing study to determine the full cost of managing the EPR system, including access to waste, collection, transportation, sorting, recycling, recovery, and sound disposal of plastic packaging waste. Furthermore, the study should cover the costs of managing a PRO, including staffing, IT-system implementation, tax requirements, and education and awareness for civil society, amongst other cost elements.

5.2. CODE OF CONDUCT

- 1.Develop and implement a code of conduct for the PRO, which formalises the environmental performance purpose and targets and shall be signed by the board of directors or corresponding managerial staff.
- 2.Ensure the code of conduct addresses ethical practices, compliance with regulations, and sustainable practices.
- 3.Provide training and resources to staff to ensure adherence to the code of conduct.

5.3.ORGANISATIONAL AND OPERATIONAL RECOMMENDATIONS FOR PSF AS A PRO

The table following up demonstrates the recommendations for the organization and operational structure for PSF as a PRO, noting that for the beginning of the operations of the PRO, some dimensions would be more essential than others to start operations, highlighted in column 3, the dimensions classified as optional, are still important to run an effective PRO, but not as needed to start operations. This will also depend on the current capacities at PSF and what the organization is willing to locate as resources from other departments, etc., for the PRO.



Organisational Dimensions	Recommendation	Full-Time Equivalent (Essential/ Optional)
Executive Management	Appoint a team leader who sets strategic direction and oversees operations. Ensure effective leadership, strategic planning, and decision-making.	1 (Essential)
Human Resources (HR)	Manage recruitment, employee relations, benefits, training, development, and compliance with labour laws. Attract and retain skilled professionals in EPR.	0.5 (Optional)
Finance and Accounting	Handle financial planning, accounting, budgeting, payroll, tax compliance, and financial reporting. Manage EPR fees and funding mechanisms transparently.	1 (Essential)
Operations	Oversee logistics, waste collection, transportation, sorting, and recycling. Manage relationships with waste management companies and service providers.	0.5 (Optional)
Marketing and Communications	Raise awareness about EPR, promote organisation activities, stakeholder engagement, public relations, and educational campaigns on recycling and sustainability.	0.5 (Essential)
Sales and Member Services	Manage relationships with producers, including membership enrollment, fee collection, and compliance with EPR regulations. Support producers in understanding responsibilities and benefits.	1.5 (Essential)
Information Technology (IT)	Manage technology infrastructure, data management systems, compliance tracking, cybersecurity, and support digital platforms for stakeholder interaction.	0.5 (Essential)
Research and Development (R&D)	Conduct research on improving waste management practices, developing innovative recycling technologies, and staying updated with global EPR trends and best practices.	0.5 (Optional)
Customer Service and Support	Provide support to producers, waste management companies, and stakeholders. Handle inquiries, complaints, and ensure satisfaction with the PRO's services.	0.5 (Optional)
Legal and Compliance	Manage legal matters, including contracts, regulatory compliance, intellectual property, and litigation. Ensure compliance with national and international EPR regulations.	0.5 (Essential)
Procurement	Handle purchasing of goods and services required for operations. Manage contracts with waste management service providers and suppliers of recycling technology and equipment.	0.5 (Optional)
Quality Assurance (QA)	Ensure waste management processes meet quality standards and efficiency. Conduct audits and inspections to maintain high operational standards.	0.5 (Optional)
Strategic Planning	Focus on long-term strategies for expanding EPR programs, identifying new opportunities for waste reduction, and enhancing overall sustainability impact.	0.5 (Optional)

5.4.ADDRESSING IDENTIFIED NEEDS AND GAPS TO IMPROVE PSF AS A PRO

Upon ongoing exchange with PSF, the below were the most highlighted requirements from the perspective of PSF:

Capacity Building:

- Increase staffing dedicated to EPR within PSF and BRC.
- Provide comprehensive training on EPR regulations, waste management practices, and PRO operations.
- Once transfer stations/ collection centres are built, it is important to provide capacity buildings for personnel working on these sites.

Transfer Stations/Collection Centers:

·Establish additional transfer stations and collection centres across the country to improve logistics and reduce costs associated with the long-distance transportation of waste.

Awareness Campaigns:

- Launch public awareness campaigns to educate producers and consumers about the importance of EPR and their roles in the system.
- Collaborate with educational institutions to integrate waste management topics into curricula.

Policy Development:

- Work with REMA to develop specific policies and regulations for all streams of plastic waste, ensuring a comprehensive legislative framework that supports EPR implementation.
- Coordinate with REMA to provide legal backing for the enforcement of EPR regulations.



CONCLUSION

PSF has a working governance structure that would suffice as a PRO. Some adjustments may be necessary but these can be done on learning from implementation, The existing regulatory framework is a good start in the right direction. There are some areas that need improvement and most importantly, amendments that would be crucial for a fully functioning PRO in Rwanda.

The below would be the tangible next steps that can be undertaken:

- Assist in developing policies on specific streams of waste to provide clear guidelines and responsibilities for stakeholders.
- Advice on implementing strategies for waste management, ensuring that specific regulations for plastic waste are in place.
- Engage in continuous dialogue with REMA and other stakeholders to ensure coordination and effective implementation of the EPR system.
- In the implementation phase, develop a tender for general contracting of EPR implementation services to a third party with relevant African and international experience in the administrative management of EPR and the staff capacity to conduct EPR in Rwanda.





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