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Waste Management in South Africa – DEA update



Anben Pillay, Director of Waste Policy and Information Management for the Department of Environmental Affairs gave a presentation at the NORA-SA AGM, which encompassed the evolution of waste policy, the current status quo in South Africa, pricing strategy, the S28 Notice, and an update on SAWIS.

Evolution of Waste Policy

The evolution of waste policy in South Africa saw the country begin with the National Environmental Management Act in 1998. Eighteen years down the line we have seen many adaptations, additions and amendments to this essential legislation and now follow the current National Environmental Management: Waste Amendment Act, which was adopted in 2014.

Along the way we saw the National Waste Management Strategy being implemented in 1999, followed by the Integrated Pollution and Waste Management Policy in 2000, the Polokwane Declaration 2001, the Waste Act in 2008, the National Policy for the Provision of Basic Refuse Removal Services to the Indigents in 2010, and the National Waste Management Strategy in 2012.

The Current Status Quo

Currently in South Africa we have approximately 108 million tons of waste being generated per annum. Of this 88% is disposed of to landfill, with only 10% being recycled and 2% being processed for energy. In comparison to other countries such as Germany,

the Netherlands and Belgium, South Africa is lagging far behind. These European countries currently recycle over 50% of their waste with only 2 – 3 % making its way to landfill – the balance is processed for energy.

Globally waste management is undergoing a major paradigm shift and the focus is very much on Prevention, followed by Re-Use, Recycling, Recovery and Disposal as a last resort. The reasons for this necessary shift are population growth and urbanisation, increasing quantity and complexity of waste, climate change, carbon economics, resource scarcity, commodity prices, energy security, globalisation, job creation and tightening regulations.

Pricing Strategy

Within the life cycle of a product – encompassing production, consumption and recycling – there are various economic instruments which can be used to incentivise responsible waste management. These include: disposal tax, materials tax, extraction tax, product tax, a volumetric tariff, deposit refunds, a recycling subsidy and also extended producer fees.

Extended Producer Responsibility schemes need to be implemented which include an industry managed Extended Producer Responsibility fee as well as a Government managed Extended Producer Responsibility tax.

S28 Notice

Under the National Environmental Management Laws Amendment Bill 2015, the Section 28 notice has been finalised and will be published for implementation.

An important addition to environmental enforcement has been the use of directives such as section 28 of the National Environmental Management Act (NEMA) which establishes a duty of care and empowers authorities to direct transgressors to take a number of steps to remedy harm to the environment.

SAWIS Update

SAWIS currently has around 6000 registered facilities. The DEA has been conducting verification audits on these which have revealed various anomalies and plans are in place to upgrade the project to become more user friendly, increasing its functionality and allowing for third party audits as well.

The Crude Oil Price and its Impact on the Used Oil Industry

Until recently, used oil was seen as a waste with significant monetary value. However, the dramatic volatility in the crude oil price is forcing this status quo to change, and used oil generators are now facing a situation where they have to accept substantially lower prices for their used oil, or even hand it over free of charge to used oil collectors for responsible recycling.

Price Decrease Explained

Collected waste oil has to be treated at a cost, in order to produce non-waste products that must then compete with virgin products. With the current low oil price (the oil price was around \$105 a barrel in July 2014 and now it is approximately \$50 a barrel) recycled oil cannot compete with virgin oil unless the refineries reduce their costs.

As a recovered material, refined used oil has to be marketed at a cheaper price than a virgin product. However, virgin products have dropped radically in price and recovered products have had to reduce their prices to compete. With a plentiful supply of cheaper virgin products on the market, recovered oils have had to become more competitive.

Another factor influencing the price of virgin oil and the price of recovered oil, is the current oversupply of crude oil. Several crude oil producing countries having increased their production in order to increase declining revenue caused by reduced pricing. Libya and Iran have started to produce crude oil again after the war and lifting of sanctions, and Saudi Arabia is pushing prices down to below gas fracking costs, in order to discourage the production of natural gas which competes with crude oil in the energy sector.

Globally, decreased industrial activity has resulted in a significant decline in oil related product consumption. Unless refined used oil can compete on a cost level with virgin oil there is simply no market, and the refineries would have no use for waste oil – meaning it would back up in the chain of use and remain with the generators - creating obvious problems and a potentially dangerous source of pollution. Legislation requires that generators ensure used oil is recycled

However, in South Africa, the responsible collection, transport and recycling of used oil as a hazardous waste is required by law under the Waste Act – with serious consequences for those who fail to comply (the penalties for non-compliance are a maximum of R10 million fine or 10 years imprisonment or both). Under the Waste Act, generators of used oil are also not allowed to store waste oil for longer than 90 days and are legally required to have it removed by a collection company for recycling.

A collapse in the used oil industry cannot be allowed to happen and the generators of used oil must accept that the safe removal and disposal of their oil is a legal obligation and of primary importance – and not the price being achieved for this waste product.

The value of used oil has diminished and the used oil industry in other countries has already turned towards a “Polluter must Pay” mindset, in which the used oil generators are having to pay to have their used oil removed by a collection service, rather than be paid for a waste material.

The ROSE Foundation and NORA-SA urge the generators of used oil to engage in discussions with their used oil collectors to understand the pressures within the industry currently and the reasons why it is necessary for payment for used oil to be reduced or withdrawn altogether.

Waste Classification and Management Regulations Update

Guidelines for the implementation of the Waste Classification and Management Regulations have been released by the Department of Environmental Affairs (DEA). What are the implications for the used oil industry?

The regulations, which are published under section 69(1) of the Waste Act, aim to see a move away from landfill as a first option for waste, towards treatment, reuse and recovery - and to put measures in place to monitor this progress. They were developed to replace the Minimum Requirements for Handling and Disposal of Waste, as shortcomings in this legislation saw the disposal of waste to landfill being the major waste management option being adopted by waste generators in South Africa.

The latest DEA regulations aim to: regulate the classification and management of waste; establish a mechanism and procedure for the listing of waste management activities that do not require a waste management license under the Waste Act; set requirements and time-frames for the management of specified waste; define waste generators, transporters and managers and prescribe their general duties.

Simply put, the regulations allow for the improved and more efficient classification and management of waste; provide for safe and appropriate handling, storage, recovery, reuse, recycling, treatment and disposal of waste and will also enable accurate and relevant reporting on waste generation and management – all aimed at supporting the beneficial recovery of waste in order to divert waste from landfill.

Unpacking the Guidelines

The Department of Environmental Affairs has set up two task teams to address concerns and issues with regards to the Waste Classification and Management Regulations and to establish recommendations of how to address them.

For example, the mixing of waste was identified as a concern as it complicates the classification process (waste is required to be classified in accordance with SANS 10234). Under the new guidelines the mixing or blending of waste is permissible if it is a Type 0 waste and there are no options for reuse, recycle or recovery; for the disposal of liquid wastes; and to prevent odours.

Pre-classification of waste was also identified as an essential part of waste management – especially that of E-waste, and it has been recognised that once dismantled certain components of E-waste are not hazardous and can be classified accordingly. When assessing waste for landfill, the guidelines specify that the Australian Standard Leaching Procedure has been adopted in South Africa to assist with the effective classification of waste that can go to landfill.

Further to the issues identified, the guidelines also provide proposed definitions for the terms “mixing”, “blending”, “pre-treatment” and “treatment” and clarify time frames for the storage and management of waste – with temporary storage being allowed for 90 days, whilst a waste storage facility can store waste for up to 18 months.

The guidelines conclude by saying that although a waste stream may be recyclable, the DEA understand that the technology and capacity might not exist in South Africa. Because of this, the interpretation of whether a waste is recyclable, re-usable or recoverable has to take into account the existence of capacity.

IMPORTANT DEFINITIONS

Waste Generator – any person who generates waste.

Waste Manifest System – a system of control documentation from generator to the waste manager.

Waste Transporter – any person who transports waste between the generator and a waste manager.

Waste Management Facility – a place where a waste management activity takes place that includes a waste transfer station.

Business and Entrepreneurial Skills Development Training

Recently, the NORA-SA used oil collectors attended a course in Basic Business Skills and Entrepreneurial Skills Development Training which was sponsored by the ROSE Foundation.

“The main aim of any business is to make a profit, but there are certain legal and other requirements that an emerging entrepreneur needs to adhere to in order to prevent problems with the ongoing operation of the business. In addition, for a business to be able to survive, it needs to record a profit and this requires an understanding of certain basic accounting practices, the costs involved in running a business and pricing,” says Lochan.

Raj Lochan, CEO of ROSE explains that the training, which was done in two sessions, equipped the used oil collectors with knowledge and skills to operate their businesses effectively and to meet the legal requirements.

The attendees learned about the legal, statutory and other related requirements of business, such as registering a company; opening a bank account; registering and dealing with SARS; registering for workman compensation; taking out insurance and subscribing to the NORA-SA Code of Conduct.

Basic accounting and financial management principles were explained, such as start-up and working capital; variable, fixed and total costs; break-even points; profit; budgeting and cash flow; record keeping and how to sustain a business in the long-term. Aspects of budgeting, understanding what causes poor cash flow, and the essentials of record-keeping were highlighted.

The second module discussed strengths and weaknesses of an oil collectors business. An evaluation of each oil collector was conducted and thereafter each oil collector’s current business



Above: Mrs Geenie Samuel of Sam Marie Consulting, interacting with collectors from the North West Gauteng region.

practice was developed to enhance growth and sustainability in their respective businesses.

The collectors learned to develop successful company objectives; effectively manage their teams; understand operational efficiencies (such as maintaining a vehicle checklist, good vehicle and equipment maintenance, a tools checklist and customer database); market their businesses and apply for small business funding – all with newly developed leadership and decision-making skills.

“The success of a business depends on several factors, such as being committed and motivated, taking risks, honing skills through training and experience, engaging in good management and communication with staff, customers and stakeholders and managing resources effectively,” says Lochan.

“This course has equipped smaller used oil collectors with the insight to understand the factors and skills required to start, sustain and grow profitable businesses, and we are excited to see how they apply what they have learned and to witness the fruition of these new skills on their businesses,” concludes Lochan.

NORA-SA 2016 AGM Recognition Awards

NORA-SA members gathered at the Birchwood Hotel in Boksburg on 26 April 2016, for the 11th Annual General Meeting and Awards Day, to acknowledge their successes and achievements over the past year. Congratulations to all the collectors and NORA-SA members who received awards at the ceremony.

Regional Winners

The regional winners for 2015 are Marius Kruger from Havenga Used Oil in the Western Cape; Kishore Kasipershad from KK Used Oil in Kwazulu Natal; Jockia Mhlanga from Kia Ora Oils in Mpumalanga; Arthur Modema from Agos Oil Collectors in North West Gauteng and Kelvin Mcherenga from Automotive Waste in North East Gauteng.



The National Collector of the Year for 2015 is Marius Kruger from Havenga Used Oil, in Western Cape.



Kishore Kasipershad from KK Used Oil in Kwazulu Natal.



Kelvin Mcherenga from Automotive Waste in North East Gauteng.



Alison Osborn, Chairperson NORA-SA with all the regional winners.



Wimpie Neethling collecting the Regional Award on behalf of Jockia Mhlanga from Kia Ora Oils in Mpumalanga.



Agos Sapheza from Agos Oil Collectors in North West Gauteng, collecting the award on behalf of Arthur Modema.

NORA-SA 2016 AGM Recognition Awards Continued...

Bulk Tanker of the Year

The Bulk Tanker of 2015 Award went to Jaco Slabber from Havenga Used Oil, Western Cape.

Flatbed Truck of the Year

Niel Michaels of OSS Mossel Bay received the award for the Flatbed Truck of the Year 2015.

300 Club

300 Congratulations to all the members of the 300 Club whose wet volumes collected in 2015 were between 300 000 and 500 000 litres. 300 Club members for 2015 are MSC Fuel, Waste Pro, Agos Oil, Oil Collection, OSS Rustenburg and Dallas Oil.

500 Club

Congratulations to all the winners of the 500 Club award whose wet volumes collected in 2015 were between 500 000 and 1 000 000 litres. 500 Club members for 2015 are Kia Ora, OSS Gauteng, Veto Trading, Jar Oil, Oil Boys, Vinko's Oil and FFS Refiners Prospecton.

Million Club

Congratulations to all the collectors who made it into the Million Club with wet volumes collected in 2015 that exceeded 1 000 000 litres. Million Club members for 2015 are Olegra Oil, Automotive Waste, MS Oil Trap, Oil X Oil, BME and Havenga Used Oil.



300 Club winners for 2015, with Alison Osborn Chairperson of NORA-SA.



500 Club winners for 2015, with Alison Osborn Chairperson of NORA-SA.



Million Club winners for 2015, with Alison Osborn Chairperson of NORA-SA.

Seen at the NORA-SA AGM



KZN NORA-SA members.



North East Gauteng members.



Lihle with North West members.



Western Cape members.



L-R: Fabian Magerman, Nobleman Kani, Raj Lochan, Anben Pillay.



Alison Osborn (NORA-SA Chairperson) and Nobleman Kani (ROSE Chairman).



NORA-SA
National Oil Recycling Association
of South Africa

Approved Storage Facilities

- Oil Separation Solutions Sales & Services (Pty) Ltd** – 3 Industria Road, Burgersfort, (013) 231 8492
- FFS Refiners (Pty) Ltd** – New Ark Road, Small Craft Harbour, Richards Bay, (035) 788 0130
- Oil Separation Solutions Sales & Services (Pty) Ltd** – 9 Coetzer Street, Rustenberg, (014) 592 6001
- Oil Separation Solutions Sales & Services (Pty) Ltd** - Unit 5, Beach Boulevard East, Diaz, Mossel Bay, (044) 695 4922
- FFS Refiners (Pty) Ltd** – 61 Paterson Road, North End, Port Elizabeth, (041) 484 1536
- Oil Separation Solutions Sales & Services (Pty) Ltd** – 10 Celsius Street, Middelburg, (013) 246 2033
- FFS Refiners (Pty) Ltd** – 103 Vintner Place, Prospecton, 4110, (013) 902 8560
- Oil Recovery Services** – 1 Andries Pretorius Street, Sub 2 Off Lot 138, Weenen, 3325, 082 801 4472
- FFS Refiners (Pty) Ltd** – Cnr Lood & Viben Street, Brackenfell, 7560, (021) 982 5267
- Kia Ora Oils** – Farm Kia Ora, Karino, Nelspruit, 082 554 1687
- FFS Refiners** – 246 Kerk Street, Hamilton, Bloemfontein, 084 598 7007



NORA-SA
National Oil Recycling Association
of South Africa

Approved Waste Managers

- Oil Separation Solutions Sales & Services (Pty) Ltd** – 27 Profab Crescent, Delville, Ext 4, Germiston, 1400, (011) 824 7580
- FFS Refiners (Pty) Ltd** – 1 Frankdale Road, Vissershok, Cape Town, (021) 557 4529 / 5301
- BME** – Weltevereden Farm, Dryden, Delmas, (011) 655 1860
- PPC Lime** – Limeacres, 053 385 8203
- The Old Oil Man** – 4 Nellampius Road, Chamdor, Krugersdorp, (011) 762 2558/9
- Enfields Chemicals CC** – Unit 6, Manchester Park, 11 Manchester Road, Pinetwon, Durban, (031) 702 9778
- FFS Refiners (Pty) Ltd** – 130 Teakwood Road, Jacobs, Durban, (031) 465 1466
- FFS Refiners (Pty) Ltd** – 1 Neutron Road, Chlookop, (011) 976 2198
- FFS Refiners (Pty) Ltd** – 16 Herschensonn Road, Plessislaer, Edenvale, Pietermaritzburg, (033) 398 1651
- VISCOL** – 130 Sarel Baard Crescent, Gateway Industrial Park, Rooihuiskraal, Centurion, (012) 661 9888
- NKOSINATHI OILS** – 3 Street, off Wiltshire Road, Southmead, Pinetown, (031) 030 0645



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