

***Peering into the Future of Global Waste & Resource Management, by
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Global population growth is skyrocketing. In 2025, there will be approximately 1.8 billion more middle class consumers. These consumers will be adding to the existing mounds of waste – a problem that will be compounded by an increasing reliance on packaged products.

In 2013, reports indicated that only 25% of 11 billion tons of waste was recycled. Encouragingly, this figure is set to double by 2025 (vs. 2005). This increase is being driven by growth in diversion, recycling, the recovery of valuable secondary raw materials, waste-to-energy activities, and e-waste and sustainable packaging strategies.

Given that 70% of global waste is currently landfilled, however, there is massive scope to increase the amount of waste that is recycled.

The Local Context...

In South Africa, we are currently looking to increase municipal solid waste recycling by 3.5 times, and double industrial waste recycling. There is clearly a move towards more responsible waste strategies – and a realisation of the commercial benefits of such strategies. In 2011, South Africa recovered R8.2 billion worth of recycling resources. At present, the country generates R25.2 billion worth of waste a year - with about 90% sent to landfill. Without doubt, there is still a lot to be done with regards to putting SA on a more sustainable – and responsible - path.

Key Megatrends

In our view, competition for limited resources currently being experienced will intensify in the coming years, which will have major ramifications for waste and recycling strategies. It is quite likely that water scarcity will challenge food and energy security – and become a very real and pressing challenge.

Simultaneously, there will be an increasing supply of unconventional and renewable sources of energy – and this will affect the dynamics of the global energy mix in a very meaningful way.

As a result, transparency and the security of global supply chains will become critical. At present, business interruption and supply chain losses account for around 50% to 70% of all insured property losses. Consequently, companies with insufficient social or environmental performance are at risk of suffering serious reputational damage in real time.

Focus on the Value Chain

For companies, these trends underscore the importance of creating a responsible and efficient value chain. In establishing this value chain, business leaders will need to address several key areas. These include supply chain visibility, energy consumption, carbon emissions, water consumption, and waste/recycling.

Indeed, managing the environmental footprint and impact from a corporate perspective is set to become a major business imperative – and those who fail to plan for it will undoubtedly face severe risks in the medium and long term.

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