

Fair Recycled Plastic: How plastic recycling improves living conditions for people in India

Fair Recycled Plastic is creating jobs in Bangalore and investing profits from plastic recycling in local charities.

Bangalore, with about 12 million inhabitants, is one of India's mega-metropolises. The sizeable population generates large amounts of waste. As the city has no comprehensive or effective waste management system, about 15,000 to 20,000 people from the poorest sections of the population in Bangalore work as so-called waste pickers. From early in the morning until the evening, they collect waste in order to sell it on. They usually have to do this without wearing protective clothing such as gloves or masks. In this way, they earn a small income that provides hardly enough to feed their families. Many of them live in slums directly on the rubbish dumps. A large proportion of the waste pickers are women who, as well as collecting waste, also usually have to do most of the housework and look after the family.

With Fair Recycled Plastic, the Melitta Group wants to make a contribution to reducing the waste problem and at the same time support the poorest section of the population in Bangalore. In a converted production hall, up to 2,000 tonnes of plastic waste collected by waste pickers will be recycled into plastic granulate every year. Cofresco, a subsidiary of the Melitta Group and, producer of Swirl® and handy bag® brand bin liners among other things, has founded the company 'Vishuddh Recycle' for the new production facility in Bangalore. The company has been started as a social business in cooperation with the organisation Yunus Social Business Fund gGmbH. This means that the profits generated are ploughed back into the business and a proportion will be invested in health and education projects for the families of the waste pickers. "We want to guarantee the waste pickers that a stable volume of the plastic waste they collect will be purchased at a fair price and to improve working conditions through a more transparent value chain. For us, this also includes providing medical care and education for the children. Through our business model, we want to support waste pickers and their families to escape poverty." explained Ashutosh Singh, Managing Director of 'Vishuddh Recycle Pvt. Ltd.'.

Supporting health and educational projects for the families of waste pickers

The profits from 'Vishuddh Recycle' will benefit, among others, two charities that provide better health care and additional educational opportunities for the waste pickers and their families. "We worked closely with our partner Yunus Social Business to select the organisations. I am convinced that they will be valuable allies in supporting our commitment to the Waste Pickers," said Ashutosh Singh.

One of the two organisations is the Smile Foundation. With the initiative 'Smile on Wheels', this Indian NGO offers free medical first aid for the waste pickers and their

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families. So-called mobile clinics regularly drive through the poor districts of Bangalore. The specialised staff not only offer medical support, but also provide information on hygiene and other topics related to preventive health care. A 'Smile on Wheels' van carries out about 15,000 medical examinations per year. "Although free medical care is theoretically available to people in government hospitals, it is not possible for people in poor neighbourhoods to take advantage of it," explained Ashutosh Singh. "Because when they visit the hospital, they lose the income they earn with their work and in their situation they can't afford this. That is why it is all the more important that medical care comes to them."

Fair Recycled Plastic also supports the 'Hasiru Dala Trust'. This local NGO runs educational activities such as community libraries and workshops in the poor areas of Bangalore. The aim is to promote the social, emotional and cognitive growth of children through these alternative forms of tutoring, in order to help children work towards better school qualifications. The programme will provide education to several hundred children.

"To ensure that the waste pickers and their families benefit from the medical and educational services as early as possible, Cofresco will support the organisations financially from the start of production until the social business generates the planned profits", explained Ashutosh Singh.

Improving working conditions for waste pickers

The recycling company 'Vishuddh Recycling' sources plastic waste from five contracted waste companies, carefully selected with the help of Yunus Social Business. A condition of the partnership is that these companies pay their suppliers fairly and insist on transparency and compliance with health and safety measures such as wearing protective clothing. To ensure that the high quality standards for working conditions and the supplied material are met, the Melitta Group has conducted on-site audits together with TÜV Rheinland, which are repeated regularly. Great importance is attached to a partnership-based relationship with suppliers. Therefore, Melitta works continuously with its partner companies to further improve conditions for employees.

Fair Recycled Plastic is thereby contributing to the expansion of the formal structure of this sector in the waste management industry in India in terms of safety standards, transparency and minimum age limits.

Secure jobs in the recycling plant

The recycling company Vishuddh Recycle Pvt. Ltd will initially employ 20 people, with more than 50 employees planned in the medium term. In addition to management jobs, industrial workers will be trained to produce high quality granulate by sorting, cleaning, drying and shredding the plastic waste. The permanent employment contracts comply with local laws and include the standards that are applicable at Cofresco and Melitta.

The Melitta Group

Melitta is an internationally operating group of companies and is one of the leading independent family businesses, both in Germany and abroad. Its main activities are the development, manufacture and sale of branded products for the enjoyment of coffee, for the storage and preparation of food, and for cleanliness in the home. As a company with a history spanning more than 100 years, the Melitta Group thinks long term and sees the pursuit of sustainable development as an integral part of all its business activities. More information can be found at www.melitta-group.com.

Cofresco Frischhalteprodukte GmbH & Co.KG

Cofresco Frischhalteprodukte GmbH & Co. KG, a company in the Melitta Group, is Europe's leading manufacturer of branded products in the household foil and paper sector for the home and professional kitchen. With its Toppits®, Handy Bag®, BacoFoil® and Swirl® brands, products from this innovative business unit can be found on supermarket shelves in nearly all European countries. Cofresco is also a leader in the food service sector with its Caterwrap® and Wrapmaster® brands. As a plastics processing company, Cofresco optimises its own use of raw materials and follows the principle of the circular economy. The entire product portfolio will be fully part of a circular economy by 2025. Find out more at www.cofresco.de.

Yunus Social Business Fund gGmbH

Yunus Social Business (YSB) is based on the ideas of Nobel Peace Prize laureate Prof. Muhammad Yunus to solve global problems through the power of business. The Yunus Fund team transforms donations into investments that support sustainable social enterprises active in the areas agriculture & livelihood security, education and training, energy and the environment, and health and sanitation. With a portfolio spanning Brazil, Colombia, India, Kenya and Uganda, YSB Funds has positively impacted over 3.6 million lives worldwide. The Corporate Innovation team works with global corporations to empower them to become a force for good. By developing social business models, building social ventures and engaging in social intrapreneurship, the Corporate Innovation Team paves strategic paths for companies to align business goals and impact. YSB has its headquarters in Berlin, Germany, and has more than 10 years of experience in the field of mission-driven business.