

**Pegasys is a group of specialist advisors driving social, economic and environmental impact in emerging economies.**

We exist to empower vulnerable people on the African continent to access greater opportunities and realise their potential. To achieve this, we work with governments, funding agencies, and business to enable effective infrastructure development and natural resource management. Our work includes developing policy, designing institutions and managing investment and finance. Our core sectors are climate, resilience, water, energy, transport and waste.



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# “Waste is not waste. It’s an opportunity”

Waste is not waste. It’s an opportunity, a mix and flow of materials, an indicator of how we individually and collectively use resources. It’s also a significant present day risk to our planet, threatening our ecosystems which are integral to life on Earth. At Pegasys, we journey with our public and private sector partners to enable them to develop alternative and sustainable waste management systems and infrastructure. Our approach across all sectors of our business is multi-disciplinary and cross-sectoral.





# WHAT WE DO

## Our Waste sector focuses on five practice areas, namely:

- **Alternative waste treatment:** developing feasibility studies, investment strategies and institutional/procurement frameworks for both private and public sector clients to enable long-term diversion of waste from landfill.
- **Programme development:** developing a selection of projects in the form of programmes that can be implemented by the public sector to efficiently finance and procure waste solutions across multiple municipalities and sites;
- **Full cost recovery:** assessing and enabling our public and private partners to recover all of the capital and operating costs associated with alternative waste treatment by leveraging government and climate financing.
- **Clean energy from waste:** helping private and public decision-makers promote clean energy from waste options that respond positively to our collective climate change goals, whilst not compromising more sustainable, community-oriented uses of waste materials.
- **Waste management hierarchy:** the promotion of the alternative and sustainable waste and material management interventions “up” the waste hierarchy, by developing financing solutions to enable waste minimisation and reuse as priority options. We provide bid support to our private clients who are proposing innovative technologies and systems that minimise waste to landfill.

## HOW WE DO IT

We have an in-depth knowledge of both the private and public sectors, particularly their procurement imperatives and financial limitations. We understand key sector issues, with an emerging track record in South Africa, shaping key financial approaches to see alternative and sustainable waste treatment projects move from pre-feasibility through to financial close. Our team draws on their international and local experience to address complex and sensitive problems in these dynamic environments. Finally, our multidisciplinary approach is shaped by our expertise in environmental and climate science, engineering, investment and finance, international relations and law amongst others.

## OUR CLIENTS

We are trusted advisors to local, regional and national governments, donor agencies, development partners, and private entities. We are widely regarded as financial specialists in the South African waste industry and partner with organisations such as the Department of Environmental Affairs, Department of Energy, and the German Development Cooperation via Gesellschaft für Internationale Zusammenarbeit (GIZ).



## RECENT WORK

### Diverting Municipal Solid Waste away from Landfills in 6 South African Municipalities



**The challenge:** South Africa's Department of Environmental Affairs (DEA), in partnership with the German Development Cooperation, embarked upon the Waste Management Near-Term Priority Climate Change Flagship Programme, which includes identifying areas for strategic interventions that advance the objectives of both the National Climate Change Response Policy and the National Waste Management Strategy (2011). The DEA identified the urgent need for the diversion of waste away from six pre-selected municipalities, using sustainable, decentralised, alternative waste management interventions.

**Our solution:** Along with our expert partners, we were the financial advisors for the project, and assisted in drafting business and implementation plans for alternative waste management interventions in 6 municipalities that had four key focal points, namely: diversion of waste from landfill, greenhouse gas emissions reduction, job creation, and finally, creating an enabling environment for the beneficiation of waste going forward.

### Eden District Municipality Solid Waste PPP Project



**The challenge:** The issuing of a RFP by Eden District Municipality for the construction and operation of a district landfill site, and transfer of waste. The RFP addressed a regional approach to the integration of the solid waste disposal and management practices in five of the District's local municipalities. Bidders were required to provide alternative waste management technologies and options AWT as part of their bids.

**Our solution:** We acted as the financial advisor to one of the largest waste management companies in South Africa on the PPP project, by developing a bid model, undertaking financial structuring of the PPP bid and associated off-take agreements, and investigating debt raising options.

### GCF Application for Scaling Up the Waste Management Flagship Programme



GREEN CLIMATE FUND

**The challenge:** The Department of Environmental Affairs and GIZ were seeking to scale up 6 alternative waste management projects in pre-selected municipalities in South Africa, and to include a further 20-30 municipalities, with the potential of diverting 1 million tonnes of waste away from South African landfills. Total capital outlay requirements for 30 projects are in the order of \$75mil over a period of 4-5 years.

**Our solution:** We developed a financial model as a decision support tool for government to assess the impact of selecting different projects across the ±30 municipalities. We also assisted in the development of a GCF Concept Note, which along with the model, is seeking project preparation funding in the order of \$1mil, and project financing of approx. \$50mil, both from the GCF.

## GET IN TOUCH



If you would like to know more about the practice, please contact:

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