**JSDF Social Inclusion and Alternative Livelihoods for the Informal Waste Sector**

The Philippines is currently in the process of modernizing its solid waste sector, with a strong focus on implementing regulatory requirements for converting open dumpsites to sanitary landfills nationwide. As part of this process, it has been recognized that the large population of waste pickers and itinerant waste buyers active in the Philippines is affected by the sector’s changing infrastructure and institutional structure and, in some cases, risk to lose their livelihoods.

The objective of the grant is to improve the livelihood and social inclusion of waste pickers and their communities through development of alternative livelihood opportunities and incorporation into the evolving formal solid waste management sector. The grant includes the following main activities: (i) participatory strategic planning; (ii) social inclusion in waste management systems; (iii) alternative livelihoods for the informal waste sector; and (iv) project management, monitoring and evaluation and knowledge dissemination.

To date the inclusion of the informal sector has been done in an incomplete manner. This project will implement investments and activities to encourage social inclusion in the informal waste sector and provide alternative livelihoods for the newly formed waste pickers associations through innovative approaches based on global knowledge on this subject. The grant activities are also designed to support the theme of *inclusive growth that reduces poverty and promotes shared prosperity* under the new Philippines Country Partnership Strategy. They are integral to programs that support public service delivery by local governments to the general population (for solid waste management) and by expanding key services (livelihoods primarily but also health and education) to the poor and otherwise disenfranchised groups that make up the informal waste sector. It also supports the goals for *improved investment climate* by promoting and facilitating access to affordable finance to enable investment in micro and small enterprises, as well as empowerment of the poor and vulnerable.

Project Information:

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| It is estimated that over a hundred thousand people in the Philippines work informally collecting, segregating and selling waste for a living. These groups referred to as the informal waste sector include families, women and children that work either on dumpsites or collect waste from households or garbage collectors. They are commonly migrants with limited opportunities and assets, living as squatters on or near dumpsites or in informal settlements in others parts of the city. They make limited and unstable incomes from the waste activities and often times have no access to government services. The lack of recognition by the formal waste management system perpetuates their marginalization increasing their vulnerability to harassment, limiting their secured access to waste materials that can be sold sale at fair market prices and exposing them to occupational hazards and risks. Additionally, waste pickers and reclaimers are commonly unable to access livelihood opportunities through formal, safer or more lucrative means because of their social status, ethnicity, education, poverty, disabilities, family pressures, mobility, contacts, and skills. The World Bank is supporting this process through technical assistance and investments in solid waste management. As part of this process, it has been recognized that the large population of waste pickers and itinerant waste buyers are affected by changing infrastructure and institutions in the sector and, in some cases, are at risk to losing their livelihoods. The Ecological Solid Waste Management Act originally did not consider the role of the informal sector. Over the past several years, however, the National Solid Waste Management Commission (NSWMC), which is the regulatory authority for solid waste management in the country, has recognized the importance of their role in the solid waste system. In 2009, a National Framework Plan for the Informal Waste Sector in Solid Waste Management was developed in consultation with the various stakeholders in the sector. The objective of the Plan is to integrate the informal sector in the solid waste management system by providing a favorable policy environment, skills development and access to secured livelihoods, employment, and social services. The Plan also envisions the formulation and enforcement of policies, assistance in access to employment and alternative livelihoods, providing of access to social services, facilitating and strengthening partnerships, and enforcing laws on child labor in relation to the sector.While the process of closure of open dumpsites and opening of modern landfills and materials recovery facilities has been slow in getting started, much of Metro Manila is beginning to be served by newly developed facilities, and most medium-sized cities are considering investing in landfills with some already in operation. This transition represents not only an improvement in the overall system but an opportunity for introducing innovative and effective social inclusion models to improve incomes and empowerment in the informal waste sector. To date the inclusion of the informal sector has been done in an incomplete manner. In some cases no consideration was made for the informal waste sector operations, resulting in a cutoff of access to recyclables and a loss of livelihood and the physical displacement of settlers. In other cases, the local government has made efforts to better organize these groups. These approaches have not focused on addressing the need to increase incomes and empower the informal waste sector both politically and economically. Additionally, the approaches for providing alternative livelihoods when undertaken in this context in the Philippines have had a poor track record as the business ventures have lacked viable, market based business models and training programs provided were not linked to a real demand. The waste sector in the Philippines would benefit greatly from learning and adapting models from the growing body of knowledge internationally that has arisen from the expanding community of practice of informal solid waste organizations and those working on livelihoods business models. This project will introduce innovative approaches that would support the National Plan and at the same time is intended to improve incomes and empowerment of the informal sector through development of innovative approaches specifically designed for this purpose. It thus simultaneously responds to: (i) a national need for knowledge, successful interventions in social inclusion and alternative livelihoods and capacity building; (ii) an operational need to support the World Bank solid waste agenda; and (iii) the opportunity to benefit from the Bank’s unique capacity to leverage the emerging worldwide knowledge on this topic. |
| Members of the informal waste sector include families, women and children that work either on dumpsites or collect waste from households or garbage collectors, making limited and unstable incomes from the waste activities. They are marginalized for a variety of reasons including their social status, ethnicity, education, poverty, disabilities, family pressures, mobility, contacts and skills. Their marginalization is perpetuated by the lack of recognition by the formal waste management system and the socio-economic barriers they face in accessing more formal or profitable livelihood opportunities. The grant will benefit at least 5500 members of the informal waste sector. These include 3500 informal waste sector and their families in 5 municipalities that will be undergoing the process of modernization of their facilities and at least 2000 members of recycling cooperatives in Metro Manila. In the 12 cities and municipalities, informal waste pickers and itinerant waste buyers that will benefit through direct investments related to formalization and livelihood development designed to increase incomes, provide other direct benefits and empower the participants. Members of the recycling cooperatives will benefit from implementation of models with similar outcomes of increase incomes, other direct benefits and empowerment of the informal waste sector. |
| The project supports waste pickers and itinerant waste buyers located in 12 local government units (LGUs) in which the waste management system is undergoing transition to a modernized solid waste system. Support will also be provided to informal waste sector participants that are members of existing recycling cooperatives in Metro Manila. *Social Inclusion and Alternative Livelihoods as Part of Disposal Site Modernization:* The social inclusion activities are intended as good practice models for providing support to the informal waste sector through empowerment and income improvement of the informal sector that would be able to complement to basic infrastructure investments associated with modernizing the sector such as the closure of the landfill and establishment of materials recovery facilities. In this way it will leverage investments and financing from the World Bank portfolio and the LGUs and engage with the informal sector at a time where the change in the system is providing opportunities for improved income generation and quality of life for these groups. The LGUs (Cabanatuan, Legaspi, Tabaco, Polangui, Naga, Pili, Bacolod, Butuan, Surigao, General Santos and Batangas City) have planned to modernize their solid waste management systems that is benefiting from World Bank financing or technical assistance and agreed to the approach of informal waste sector inclusion in their waste management system and the provision of opportunities for alternatives livelihoods with the help of the LGUs and the private sector. *Support to Informal Sector Participants in Recycling Cooperatives:* The purpose of the support to recycling cooperatives is to introduce select models targeted at one or more of the following: improving incomes, increasing other direct benefits and empowerment of the informal waste sector. To target the largest number of beneficiaries the support will focus on the Metro-Manila based recycling cooperatives which have over 8,000 members of the informal waste sector as members and include those found at Payatas and Batangas City landfill sites and as members of Linus Ganda which operates throughout Metro Manila. |