

# MOOC

## CASE STUDIES



## W E C Y C L E R S

*Wecyclers is a recycling collection company that is partnered with the Lagos Waste Management Authority in Lagos, Nigeria. It is seen as one of the answers to the problem of recyclable waste, especially plastics, littered throughout the city. Wecyclers employs local people to ride modified tricycles to homes in order to collect waste. Those who recycle can collect and redeem points in exchange for household items or mobile phone minutes every three months. Once collected, Wecyclers sells the recyclable materials to recycling companies that will put these materials into new products. Wecyclers has estimated that every month their cyclists collect nearly 40 metric tons of recyclable waste, with over 400 metric tons collected in 2014. With this momentum, Wecyclers has estimated that they could eventually provide 500,000 jobs throughout Nigeria.*

# CONTEXT

Wecyclers was created as a class project by Bilikiss Adebisi-Abiola and her colleagues, Alexandra Fallon and Jonathan Kola, in their time at the Massachusetts Institute of Technology (MIT). Originally, her colleagues had devised a business plan that would have allowed people in developing countries to exchange recyclable materials for potable water. Eventually, the group changed the incentives offered in exchange for recyclables, moving away from water. Instead, they believed that people would rather exchange their recyclables for specific items they could use in their everyday lives, as well as for a clean environment. Instead of water, the group began focusing on mobile phone credit that people could receive as payment for their recyclables.

In order to test the project, the Wecyclers team travelled to Lagos, Nigeria and began the initiative in a low income area of the state. Here the team held their first event, encouraging people to bring their recyclables in exchange for tickets. These tickets were entered into a raffle and gave participants a chance to win prizes. At this event the Wecyclers provided food and music, allowing the team to comfortably interact with the community, gain their trust and receive feedback on the enterprise. The immediate feedback showed that people did not want to bring their recyclables to a location, but rather preferred a home collection system. Many people also felt that the raffle ticket system was undesirable as there was no guarantee that they would win a prize for their recyclables.

Wecyclers then developed a business plan that involved picking up waste from people's homes and offering them guaranteed incentives through the use of a points system.

## Project Name

Wecyclers

## Location

Lagos, Nigeria

## Concept

Wecyclers is a recycling enterprise that provides a home pick up service for recycling, reaching people in low income areas and informal settlements throughout Lagos, Nigeria.

## Partners

Lagos state government & Lagos Waste Management Authority

Large international corporations (Coca Cola)



# HOW DOES IT WORK?

Wecyclers collects recyclable materials throughout Lagos, Nigeria. As an incentive to their customers in low income areas and informal settlements, Wecyclers offers points for the recyclables they collect. Every three months users of this service can redeem these points for household items or mobile phone minutes. These recyclable materials are then sold by Wecyclers to recycling companies outside of Nigeria.

## Milestones in the Process

Wecyclers' collection process could not work without these five milestones:

### 1. Organization of Wecycles

Instead of using vehicles that can be both costly to run and maintain, Wecyclers has developed a modified tricycle called a "wecycle". The Wecyclers team started with only 1 modified tricycle and has now grown to include 20 wecycles in their fleet.

### 2. Registration of Customers

Every customer must register their home with the Wecyclers in order for collection to begin. In order to do this customers must fill out a simple form that asks for demographic information such as age, gender, occupation, number of people living in the household, as well as their name, address and phone number.

### 3. Collection

Wecyclers incentivizes people in low income areas and informal settlements to provide their waste with the use of a points system. The Wecyclers collect aluminum, every kind of recyclable plastic and paper. Points are given to customers based on the weight of the materials in kilograms.

### 4. Collection Hubs

Once the recyclable waste has been collected, it is taken by the riders to a collection hub. In the state of Lagos Wecyclers currently operates two collection hubs. At these locations the wecycles are housed and recyclables are sorted and processed.

### 5. Employment

Wecyclers offers a number of skilled and unskilled employment opportunities for Nigerians.

In Lagos the Wecyclers already service **over 7,000 homes** and this number continues to grow.

## Replicability and Scalability

The Wecyclers business model has been developed in such a way that with enough funding, the project can easily be replicated throughout the world, especially in developing countries. With the use of modified tricycles, the company both makes transportation costs extremely minimal for entrepreneurs in developing countries and improves waste management. Furthermore, the Wecyclers encourage transportation that is extremely maneuverable, even through the small and rugged streets of informal settlements.

The Wecyclers model is also very flexible, allowing for incentives to change based on the community. In order to reach the maximum amount of people possible with this recycling enterprise, it is important that the Wecyclers model can be scalable. In Lagos the Wecyclers already service over 7,000 homes and this number continues to grow. With the addition of recycling hubs, there are few barriers to the success of this project, even on a large scale.

## Results and Progress

Currently, there are two recycling collection hubs within the state of Lagos. With the growing success of the Wecyclers recycling enterprise, the business now looks toward growth outside of the state and into other parts of Lagos where the creation of thousands of jobs is possible. In order to boost this expansion and encourage recycling in other states, Wecyclers would like to train and support civil society organisations and entrepreneurs that would like to operate recycling hubs. By taking their model and making it open to others, Wecyclers allows people with local knowledge to improve environments and waste management outside of Lagos.

In order to expand collection efforts, the company will also need to add more wecycles to their fleet; and now that the stigma associated with waste pickers has been slowly removed in Lagos, Wecyclers also plans to start a recycling programme in schools and to set up a waste for education Programme.

The company now hopes to transform the business to make the collection process a strictly not-for-profit activity.





## The challenges

There are at least three different challenges that Wecyclers attempts to tackle:

### 1. Involvement of the local people as customers

People were concerned that the promise of money, goods and air time for waste was too good to be true. Wecyclers has worked to assure their customers that they are not taking advantage of them, mainly by connecting with communities and making their activities extremely visible. This has been done in multiple ways: hosting parties, handing out flyers and holding monthly clean up events. However, the most important way that Wecyclers has gained the trust of these communities in Lagos has been the consistent delivery of goods in exchange for points.

### 2. Access to finance

Though the company has won several awards and grants for their recycling enterprise, making a profit has been extremely difficult. The company has done much to perfect their business model to the point where the recyclables completely cover expenses and a profit is now being made. Finding the right incentives as part of the recycling enterprise have been essential to making this business model work.

### 3. Employment

Employment opportunities were difficult: manual work is required and it is not desirable to the youth of Lagos as they believe there is shame in this work. Wecyclers has worked hard to find the right employees that will see the dignity in the labor that they are doing, losing many riders along the way.

## Sustainability

As a recycling enterprise, Wecyclers is extremely concerned with sustainability. With the use of the wecycles, this company has managed to remove both financial and environmental costs associated with the transportation of waste materials throughout Lagos. Vehicles are also used to transport larger volumes of recyclables, however the wecycles are still used to collect and deliver a majority of the recyclable materials.

## Education

Wecyclers originally avoided setting up a recycling programme in schools, concerned that it may be burdensome for children to carry their recyclables with them as they travel each day. Instead, the company has focused on educating the local people about their recycling activities and removing the stigma associated with waste pickers. This has been achieved through events that make the Wecyclers team visible to local people, such as monthly community clean ups. These clean ups are led by the management of Wecyclers rather than the riders themselves. When management is involved in this waste picking process, the people in Lagos are able to see that there is no shame to being a waste picker.



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This case study was developed in collaboration with Wecyclers. For more information on the Initiative, visit: [www.wecyclers.com](http://www.wecyclers.com).

Do you have an innovative initiative that contributes to preventing or reducing marine litter? Please visit [www.marinelitternetwork.org](http://www.marinelitternetwork.org) and share information or contact:

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