

## Norfund invests in plastic recycling in Nigeria

**Norfund is investing in Wecyclers Nigeria Limited, a recycling company based in Lagos.**

Norfund, the Norwegian Development Finance Institution, has committed EUR 2 million as a convertible loan to Wecyclers Nigeria Limited, a recycling company based in Lagos. The investment will finance a new plant for the recycling of PET-bottles for use in new bottles locally and in Europe. The plant will be located in Ogun state in Nigeria and will have a capacity of 12 000 ton per year.

**“By showcasing a functioning model, we can enable the development of an industry that is crucial in tackling the challenges of plastic pollution while creating a large number of jobs,” says Carl Johan Wahlund, Senior Vice President for Green Infrastructure at Norfund.**

### **Combating plastic pollution**

More than 171 trillion pieces of plastic are now [estimated](#) to be floating in the world's oceans, an increase from 16 trillion pieces in 2005, and it could further nearly triple by 2040.

Systems for collection of plastic are crucial in tackling plastic pollution. Establishing these with incentives and a commercially sound model across the value chain is however complicated even in many high-income countries, and still more challenging in developing countries, where waste regulation and enforcement of extended producer responsibility is lacking.

“Wecyclers has managed to establish a model in one of the more difficult areas of the world, with its own collection both directly from households and via kiosks and franchises, combined with a close collaboration with a European plastic producer which will serve to ensure that both the process and the output quality meets highest international standards”, says Carl Johan Wahlund, who heads Norfund’s Green Infrastructure investment area.

### **Contributing to a circular economy**

Serioplast, a leading plastic packaging manufacturer headquartered in Italy has been a minority shareholder in Wecyclers since 2018. Recently, Unilever Nigeria and Bridges Outcomes Partnership also provided Wecyclers a USD 2 million financing to support the expansion of its collection network. The financing was provided using an innovative “Development Impact Bond,” expected to support collection of up to 30,000 tons of recyclable plastic waste and create up to 700 jobs in the next 5 years.

“With these new partnerships, Wecyclers is well positioned to contribute to a truly circular economy where we continue to create more value, support the women and small businesses we work with to increase their income, and help build more resilient, healthy and sustainable communities in the cities where we operate”, says Olawale Adebisi CEO of Wecyclers.

“While this plant only tackles a small part of the problem, showcasing a functioning model will gradually enable the development of an industry and the promotion of a culture of waste management. We see Wecyclers as our first of many investments in the recycling sector”, says Wahlund.

### **About Wecyclers**

[Wecyclers](#) is a for-profit social enterprise that promotes environmental sustainability, socioeconomic development, and community health by providing convenient recycling services in densely populated urban neighbourhoods. Wecyclers addresses the challenge of urban waste, gives households a chance to generate value from their waste and provides a reliable supply of raw material to the local recycling industry.

### **About Norfund**

Norfund is the Norwegian Investment Fund for Developing Countries. Its mission is to create jobs and to improve lives by investing in businesses that drive sustainable development. Norfund is owned and funded by the Norwegian Government and is the Government's most important tool for strengthening the private sector in developing countries, and for reducing poverty. Norfund's committed portfolio totals 3.1 billion USD in Sub-Saharan Africa, South-East Asia, and Central America. Norfund has four investment areas: Renewable Energy, Financial Inclusion, Scalable Enterprises and Green Infrastructure; and also invests in private equity and venture capital funds. Investments in Renewable Energy account for about 50% of the portfolio and 50% of the portfolio is in Sub-Saharan Africa. [www.norfund.no](http://www.norfund.no).

Norfund's investment in Wecyclers adds to its portfolio in West Africa which includes direct investments in *Sundry Foods* (Nigeria, Equity), *Arnergy Solar* (Nigeria, Equity), *First City Monument Bank (FCMB)* (Nigeria, Loan), *OH Ecosystems* (Nigeria, Convertible Loan), *CBI Ghana* (Ghana, Equity), *Access Bank* (Ghana/Nigeria, Loan), *First National Bank Ghana* (Ghana, Loan), *Oasis Africa Fund* (Ghana, Fund Investment), *Verod Capital Growth Fund III* (Nigeria/Ghana, Fund Investment), *Valency International* (Cote d'Ivoire, Loan), *Wave Mobile Money* (Cote d'Ivoire, Loan), *Nouvelle Mici Embaci (NME)* (Cote d'Ivoire, Equity), *Aktivco* (Burkina Faso/Cote d'Ivoire/Cameroon/Niger, Loan), *Baobab+* (Senegal/Cote d'Ivoire/Mali, Equity), *ESCOTEL* (Regional, Equity & Loan) and *Ecobank Transnational Incorporated* (Regional, Loan). Norfund is also an investor in platform companies and many private equity funds which are investing in West Africa and the rest of sub-Saharan Africa.

### **About Serioplast**

Serioplast is an Italian-based manufacturing Company focused on the development and production of rigid plastic packaging for the major players of the Fast-Moving Consumer Goods industry in the home care, personal care, food and pharma markets. With a Group turnover of €400 million and 2,000 employees, Serioplast operates in 33 plants and 16 Countries throughout the world. In addition to its core business and thanks to its high-tech expertise and production efficiency, Serioplast is specializing in the recycling of post-consumer plastic for new packaging solutions. With a growing global business, Serioplast is strongly focusing on innovation and development projects for sustainable production to minimize the environmental impact of its operations. Discover more on [www.serioplast.com](http://www.serioplast.com).