



# Business Opportunities in the Organic Waste Sector in Jordan

Jordan Recycling Activity Conference

**Jun 12, 2024**

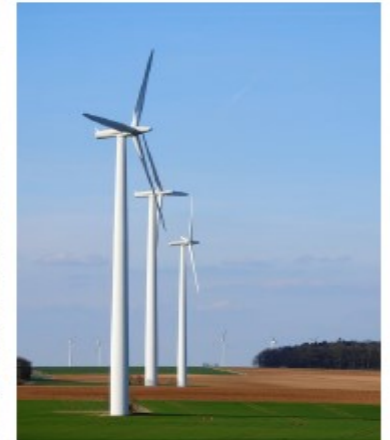


# Agenda

- About Cewas
- Organic Waste Value Chain - Simplified
- Business Models in Organic Waste – Early Stage
- A Closer look at the Compost Value Chain
- Limiting Factors to Growth in the Sector
- What is needed to Improve Market Potential
- Q&A

# Cewas – Who we are?

- Swiss NGO established in 2010 and active in the Middle East since 2014
- Specialized in Water and Environment
- Support innovation and environmental entrepreneurship
- Ecosystem mobilizer





# Cewas – Who we are?

## Business Development Support (Enterprises)

- Ideation – Growth
- Investment Facilitation



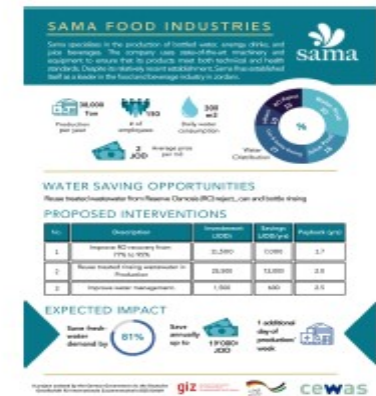
## Ecosystem Development

- Capacity Building
- Joint Collaboration
- Policy Advocacy



## Market Development

- Enabling Environment
- Business Case Building

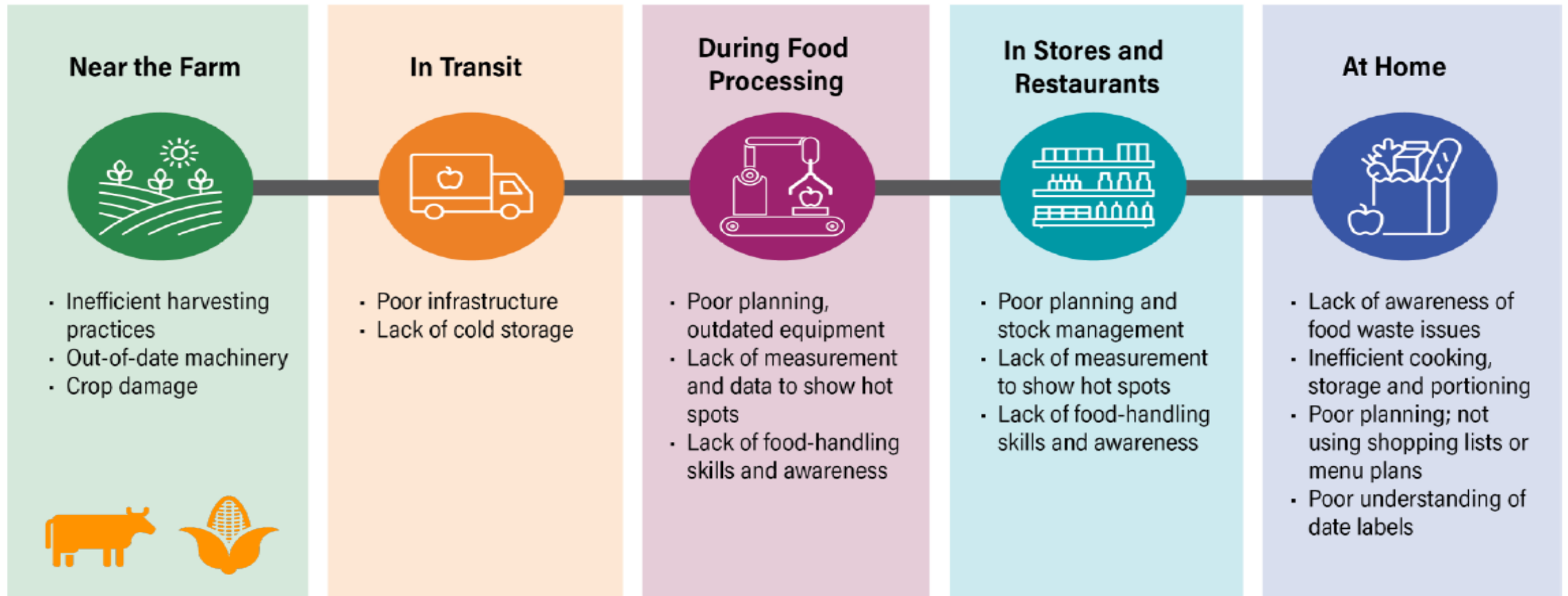


Enough about Cewas, Let's go into

**Organic Waste Business Models in Jordan**

**For Entrepreneurs**

# Organic Waste Value Chain



10's of Business Models in each stage!

Source  WORLD RESOURCES INSTITUTE

# Business Model I: Organic Waste Transport



## PROS

- Easy and low Tech
- Can be started anywhere
- There will always be waste!
- Can serve different sectors

## CONS

- Large Capex
- High Fuel Cost
- Tough Competition
- Low innovation potential
- Limitations for Manure!

Exists in Jordan? Yes, but mostly mixed with other SW (not specialized)



# Business Model II: Animal Feed



## PROS

- Easy and low Tech
- Low production cost
- Diverse feedstock alternatives

## CONS

- Geographical distribution of livestock
- Variation in livestock nutritional needs
- Livestock breeders trust

Exists in Jordan? Yes, but rarely formalized into solid and innovative businesses



# Business Model III: Food Upcycling



## PROS

- Innovative
- Can bring high margins
- Can help reduce food insecurity

## CONS

- Food quality and acceptance by customers
- Tough JFDA regulations
- Food waste Storage limitations

Exists in Jordan? Very limited but promising field

# Business Model IV: Waste to Biogas



## PROS

- High value output
- Versatile biogas uses
- Scalable technology

## CONS

- R&D and system design
- Safety concerns
- Commercialization of biogas

Exists in Jordan? Rarely seen and only for small scale applications

# Business Model V - Compost Value Chain



## PROS

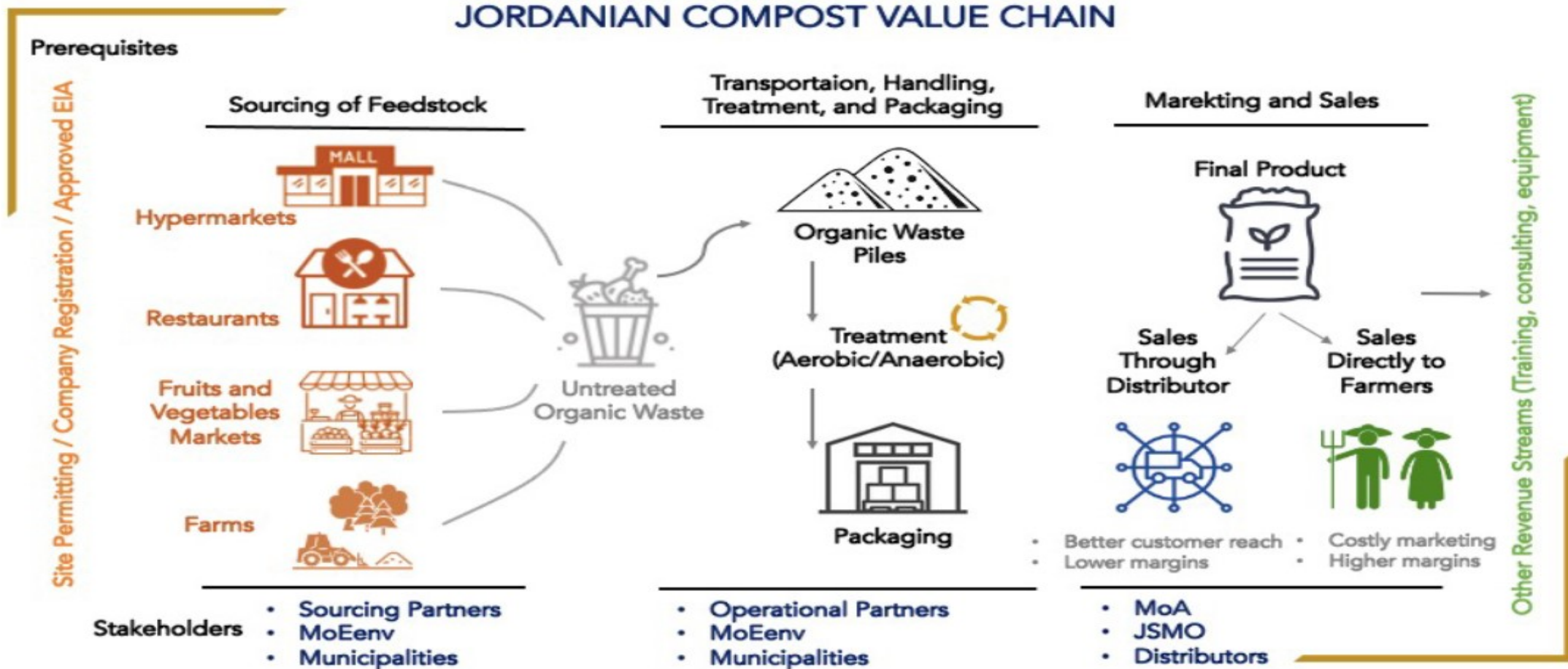
- Easy and low Tech
- Can leverage multiple feedstock types
- Scalability potential is high

## CONS

- Facility Setup
- Feedstock quality variations
- Market demand and competition
- Overall feasibility

Exists in Jordan? Widely available at different scales

# A Closer look at the Compost Value Chain



Source: CEWAS



# A Closer look at the Compost Value Chain

No.	Stage	Type	Barrier Description
1	Pre-requisites	Regulatory	<b>Site Selection:</b> compost production (aerobic) is classified as a high-risk activity according to the Ministry of Environment. Eligible sites need to be at 3-km distance from residential clusters which is far from organic waste generation sources (such as supermarkets or restaurants).
2		Regulatory	<b>EIA requirements:</b> Comprehensive EIA for aerobic compost treatment is required by the Ministry of Environment which requires time and money and might be challenging at initiation. This applies to any new location.
3		Regulatory	<b>Product Registration:</b> Limits on 100% plant-based organic waste for compost products cannot be guaranteed if organic waste is collected from restaurants.

Source: CEWAS

# A Closer look at the Compost Value Chain

No.	Stage	Type	Barrier Description
4	Feedstock Sourcing	Operations	<b>Steady Feedstock:</b> The ability to ensure frequent and steady organic waste sourcing is limited
5		Operations	<b>Feedstock Quality:</b> Poor feedstock quality sourced from partners affects end product quality and the economy of the project
		Human Resources	<b>Qualified Personnel:</b> Limitations on the ability to find highly qualified staff for operations

Source: CEWAS

# A Closer look at the Compost Value Chain

No.	Stage	Type	Barrier Description
9	Marketing and Sales	Market Readiness	<b>Lack of Awareness:</b> of the benefits of using high-quality compost that justifies the difference in the price
10		Competition	<b>Manure-sourced Compost:</b> this represent the toughest competition to producers as they are produced in mass quantities and are usually subsidized by development entities
11		Financial	<b>Cost vs. Pricing:</b> the cost of production might be very high compared to other subsidized projects
12		Financial	<b>Sales Streams:</b> lack of experience in the Jordanian market limits the ability to achieve high-volume sales

Source: CEWAS

# Limiting Factors to Growth in the Sector

- Quality: due to lack of sorting processes
- Policies: Transport, Licensing, and Setup
- Finance: Capex & Opex Needs
- Market: Competition with alternatives
- Biodiversity Concerns



# What is needed to Improve Market Potential

## From Entrepreneurs

- Focus on one or two value chain stages
- Study your logistics well right before jumping in
- Pay attention to unlikely competition

قيس قبل ما تغيص!  
-مثل فلسطيني-

## From Ecosystem

- Business Support: Specialized coaching is key
- Policies: simplify production licensing requirements
- Finance: Understand the BM, and be patient!

# Questions!



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