

Philippines



Every day, dumptrucks bring 1,200 tons of trash to Payatas.



Photo Credit: Sic Batatan

The Payatas dumpsite is home to some 6,000 scavengers.



Turning Waste into Wealth

A Scavengers' Association in the Philippines

PAYATAS is the largest dumpsite in the Philippines, occupying 50 acres of land in Metro Manila and receiving around 1,200 tons of trash per day. Some 6,000 waste-pickers make part or all of their livings by combing through this mountain of garbage. On July 10, 2000, more than 200 of them lost their lives when a huge section of the mountain collapsed after heavy rains. After this tragedy the government closed the site, but it soon reopened, in part because the city has nowhere else to dispose of its trash.

To outside visitors, the dumpsite is at best an eyesore, and at worst a vision of hell on Earth. But for the families who earn their livelihoods by recycling materials in Payatas, garbage is a form of wealth. In 1993, the Vincentian Missionaries Social Development Foundation helped to organize a savings and credit program for the scavengers of the Payatas dumpsite, catering mainly to women and using a modified Grameen Bank approach that emphasized savings rather than outside funding as a source of capital. The borrowers then founded a people's organization, the Lupang Pangako (or 'Promised Land') Urban Poor Association, Inc. (LUPAI). From its initial seed capital of US\$2,000, donated by a government agency, LUPAI has grown to manage US\$300,000 in savings accounts. Today, many LUPAI members engage in microenterprises that

provide goods and services to the scavenger community and other residents of the surrounding area. In addition to revolving credit, LUPAI has piloted a community mortgage project, through which some members have acquired ownership of the land where their houses stand.

The organization has also improved streets and water systems.

By treating wastes as assets, the scavengers of Payatas not only secure livelihoods, but also help the Philippines to address its garbage crisis. The total financial cost of handling solid waste in Metro Manila is estimated to be around US\$56 per ton. If the scavengers were

paid for the environmental service they now provide by removing 65 tons of recyclables per day from the waste stream, they would earn an additional US\$3,600 per day, equivalent to 30% of the total income of all the waste-pickers in Payatas. If the regulation and eventual closure of municipal dumpsites like Payatas leads to the proliferation of illegal dumpsites across the country, both the environment and public welfare will suffer. But if creative strategies building on the efforts of groups like LUPAI are adopted to address the country's waste disposal crisis, the Philippines could seize an opportunity to advance the twin goals of environmental protection and poverty reduction.

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