The informal recycling sector exists in most cities in developing countries. It consists of individuals, groups, and small businesses that perform peripheral collection and sale of recyclables and reusable materials. The sector may fill a gap where disposal, collection, or segregation options are lacking. Informal sector workers often operate in unsafe conditions, without employment benefits accorded to those in formal employment, and experience income disparity. Entire families, including young children, may participate in recycling activities and depend on it as a sole source of income. Informal sector workers are often marginalized by society and may be referred to by unfavorable terms, including “scavengers,” “rag pickers,” and “waste pickers.”

**How Does the Informal Recycling Sector Work?**

Informal workers earn income by selling the recyclables to dealers and recycling industries that work within the formal private sector. Recycling by informal sector workers happens at multiple locations:

- **Households.** Informal sector workers may have regular routes where they collect or purchase recyclables from residents. This practice is more common where collection by the local authorities is infrequent or irregular; the informal sector plays the role of waste collector.

- **Community collection bins and transfer stations.** In the absence of a formal recycling program, community collection bins and transfer stations are a rich source of material for informal workers.

- **Dumpsites.** It is common for informal sector workers to recover material directly from dumpsites. Unlike sanitary landfills, dumpsites in developing countries often lack fencing or walls to prevent entry.

**What Risks are Informal Sector Workers Exposed to?**

Informal recycling sector workers are exposed to numerous risks that impact their health, wellbeing, and livelihoods. These risks include dangerous working conditions that can lead to physical injury, and exposure to toxins and other materials that can cause chronic illness. In addition, informal sector workers are often exploited because of their willingness to work for low pay, which exacerbates their existing socioeconomic vulnerability.

**What are the Advantages of Incorporating the Informal Recycling Sector?**

Bringing informal sector workers into formal employment takes advantage of their experience, and improves their working conditions. Key advantages include:

- **Technological advantages.** Informal sector workers often introduce new and innovative technologies, such as developing phone applications for on-demand recyclables pickup.

- **Environmental advantages.** Informal sector workers achieve high recovery rates because collection is vital for their livelihoods. These increased recovery rates keep waste out of waterbodies and other critical habitats.

- **Economic advantages.** The informal recycling sector converts waste into tradeable commodities, forms new trading networks and businesses, and generates employment.

- **Social advantages.** Informal waste collectors’ exposure to hazards are lessened when integrated into the formal system. In some places, informal sector workers receive education and training benefits as part of their integration into the formal recycling system.
Best Practices
Best practices to integrate the informal recycling sector and affiliated organizations into the formal waste management system include:

- **Collect information.** Cities can collect information on informal sector workers’ demographics, resources, organization, and practices to help inform decisions about how best to engage them.

- **Conduct inclusive outreach.** Engagement with informal workers can help to identify solutions, generate buy-in, and ideally incorporate informal sector workers into the formal workforce to preserve and improve their livelihoods. In many cities, the informal sector consists of networks of collectors, sorters, transporters, brokers, processors, and end markets for recyclables. Cities that proactively engage with the informal sector can minimize disruption to these networks.

- **Create policies.** Policies at local and national levels can support integration of the informal sector.

- **Offer training.** Members of the informal recycling sector may require training to successfully integrate in the formal waste management sector. For example, they may benefit from health and safety training to improve their workplace behaviors, such as knowing what do to if they come into contact with medical waste. Living on the margins of society, members of the informal sector may not feel empowered to negotiate with waste generators, government agencies, or the middlemen who buy their recyclables. Therefore, training is critical to increase their negotiating power.

- **Engage cooperatives.** Informal sector workers in some cities have formed cooperatives and entered into contracts with the local government to collect waste.

- **Involve nongovernmental organizations (NGOs).** Since the informal recycling sector is often ill-equipped to organize for better working conditions, NGOs often play a key role in assisting them. NGOs assist the informal working sector in developing microenterprises and negotiating with local governments for employment and contracts.

- **Identify entrepreneurs.** In some regions, the informal recycling sector is being incorporated into the formal waste management sector through innovative and entrepreneurial means, with the digital revolution and the widespread use of phones. Entrepreneurs are starting recycling businesses by developing user-friendly online portals and phone applications for on-demand recyclables pickup by informal sector workers.

- **Consider government employment.** Some cities seek to achieve higher waste collection coverage by increasing their workforce, including integrating members of the informal recycling sector.

Additional Resources

- Global Alliance of Waste Pickers
- Plastic Policy Playbook: Strategies for a Plastic-Free Ocean
- Women in Informal Employment: Globalizing & Organizing

Download EPA’s Best Practices for Solid Waste Management guide to learn more