SINBA

PERU

PRESENCE: Peru.

Sinba seeks to create a world #sinbasura ("without waste" in Spanish) by building a circular food system and innovations in solid waste management, offering a sustainable, inclusive and cost-effective solution for businesses and households in Peru, where nothing is left over and nobody gets left out.

Sinba is looking for:
• Investments (USD 800,000) to fund the second BioFactory processing facility.
• Partnerships to gain further access to climate funding and scaling of operations.

CHALLENGE

At a global level, the amount of waste resulting from the production and sale of food is a significant issue: according to the United Nations Environment Programme, 931 million metric tonnes (1.03 billion tonnes) were wasted in homes, retail outlets and restaurants only in 2019, 61 per cent of which came from households, 26 per cent from food service and 13 per cent from retail. The existing solutions to dispose waste in developing countries, both formal and informal, cause significant negative externalities including CO2 emissions, ground pollution, and diseases. The Municipality of Lima produces nearly 10 thousand tons of waste per day, of which 52% is organic and 48% inorganic. According to Peru’s Ministerio del Ambiente, almost 80% of this waste is recyclable, but only 4% is actually recovered in Lima. The rest contributes to creating landfills and illegal dump sites within and in the outskirts of cities. Recycling is driven by informality, with 35,000 informal labourers in 8,000 recycling farms operating outside the regulatory scope.

SOLUTION

Sinba’s integral waste management programme for businesses is part of the Sinba Cycle, through which the company picks up organic and recyclable waste, Sinba partners with formal recyclers to transform inorganic materials, and converts the organic waste into inputs for food production such as animal feed and organic fertilizers. This production is sold to urban farms to manufacture food products.

“I am optimistic about the scaling potential of this business model, which can tap on larger organic waste streams for processing into safe animal feed.”
– Henrique Pacini, Economist, UNCTAD

The Sinba Cycle consists of four steps. First, restaurants, food businesses, and families enter a subscription service that provides a certification course on best practices in waste management through a partnership with the Ministry of Environment. Second, Sinba hires local recycling cooperatives to collect daily organic and inorganic waste from the subscribers. These cooperatives operate the pick-up routes and then recycle the inorganic recyclable waste (plastic, paper, etc.), thus earning additional income while avoiding landfilling. The organic waste collected is processed by Sinba into sustainable animal feed through Sinba’s biotechnological process at a current rate of 5 tons per day. Lastly, Sinba sells the pig feed to urban farms at an affordable price, trains them with technical assistance to help their transition towards a sustainable model, with an emphasis on animal welfare.

IMPACT

Sinba has been instrumental in creating a circular economy in Lima and supported the community’s skill and capacity building, sustainable food production and waste management. Further, Sinba’s activities significantly benefit all those communities which are affected by air pollution, which are predominantly poor and peripheral neighbourhoods.
Since starting operations in 2017, Sinba has reached:

- 38 businesses, mainly from the food sector, subscribed
- 12 farms are a part of the Sinba Farmers Program
- 2,300 tons of organic waste recycled
- 275 tons of inorganic waste recycled through the partnership with recycling cooperatives
- 3,275 tons of CO2 emissions prevented
- 5,700 people trained about sustainable waste management practices.

**WOMEN EMPOWERMENT**

50% of women in C-suite positions

Sinba has worked with over 15 smallholder pig farms, of which more than 65% are led by women. Sinba also provides to smallholder farmers technical assistance programmes. Women participating in Sinba scheme improve their technical knowledge and income, fostering their economic and social empowerment.

**SCALABILITY**

In contrast to the current alternatives, Sinba provides a complete package that includes training, certification, data reporting and feedback through monthly reports, while charging lower fees than waste pick-up companies. By avoiding landfill costs and generating value from waste, Sinba is able to offer a solution that is 60% less costly than its competitors.

Sinba has been successful with signing up 38 businesses for the service, including P&G, Kimberly Clark, Sodexo, WeWork, Starbucks, Mando and Central, and has a monthly performance growth of 9%. Through the collaboration with local stakeholders, Sinba’s plan is to replicate the Sinba Cycle and BioFactory model in other cities and countries throughout Latin America. Through the active involvement of urban recyclers and urban and peri-urban farmers, the model is designed to be replicable in most developing countries. Many of the current clients, including Starbucks and WeWork, have expressed interest in contracting the service in other regions.

**INVESTMENTS**

Sinba has received USD 628,000 in two rounds, including one equity seed round and debt by IDB Lab. The company will be opening the next Series A funding round in Q3 2021, with the plan to raise USD 800,000 to fund a new BioFactory processing facility.

**PARTNERSHIPS**

The strategic partners of Sinba include the Ministry of Environment of the Government of Peru, which supports its certification on sustainable waste management practices, and recycler cooperatives in South Lima, which operate pick-up routes and processes inorganic recyclable materials.

**AWARDS**

**FOUNDER**

Pipo Reiser is the Co-Founder and CEO at Sinba. He has 7 years of work experience in business development and sustainable innovation. He holds a BSc in International Business from the University of Tulsa, and Diplomas in PPPs and Energy Management from UTEC Peru and Universidad del Pacífico.

**MORE INFORMATION**

Website: [www.sinba.pe](http://www.sinba.pe) | Facebook: [@sinbaperu](https://www.facebook.com/sinbaperu)

Instagram: [@sinbaperu](https://www.instagram.com/sinbaperu) | LinkedIn: [@sinbaperu](https://www.linkedin.com/sinbaperu)

**FINANCIALS**

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<tr>
<th>Annual Revenue (USD)</th>
<th>EBITDA (USD)</th>
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<tbody>
<tr>
<td>137,000 (2020)</td>
<td>-63,000 (2020)</td>
</tr>
<tr>
<td>305,000 (2019)</td>
<td>-17,000 (2019)</td>
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<td>108,000 (2018)</td>
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