

HackTheWaste

24 h international virtual Hackathon

May 15 – 16, 2020

Case description

Company/institution: waste management and recycling holding “Eco Baltia group”

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Case title:

Production of consumer goods from recycled plastic secondary raw materials (pellets)

Brief background:

(500-800 characters)

“Eco Baltia grupa” is the largest environment management group in the Baltics. The company provides full cycle of waste management starting with collection and sorting up to logistics, wholesale, recycling and processing of recycled materials. “Eco Baltia group’s” companies “PET Baltija” and “Nordic Plast” are European level recyclers of plastic packaging, producing high value polymer recycled secondary raw materials (rPET, rHDPE, rLDPE, rPP etc.). On of the Group’s companies is recycling used tires into rubber pellets.

There are more than 200 polymer recycling companies in Europe. Due to the Covid-19 in many European countries waste sorting has slowed down, which means that amount of polymer secondary raw materials into the market is decreasing, but price is increasing. At the same time oil prices reached their lowest level for years, negatively impacting market of recycled secondary raw materials. That means that secondary raw materials markets now are facing huge challenges. Demand after recycled pellets is low, plastic production and packaging producers prefer to use primary raw materials (due to oil prices) and many of them are under lockdown, which means that the market size has shrunk by half. Focus on circular economy has changed to focus on fighting Covid-19, but we see that this is perfect timing for governmental and European institutions to support recycling industry, by prioritizing and supporting recycled production and secondary raw materials.

The proposed problem/challenge:

(300-500 characters)

Most of the polymer recycling companies now are struggling between high prices of raw materials and low prices of recycled end products (pellets). The challenge is how to increase incomes and keep up the value chain, producing consumer goods with high demand in the market out of recycled secondary raw materials (pellets).