



PIONEERS OF RECYCLING

Oleg Simkin, CEO of Europlast, speaks about the circular economy principles and specific nature of the PET packaging market.

Europlast was among the first companies to apply the circular economy principles. Could you shed more light on this?



OLEG SIMKIN

We are the first Russian company to reuse our own recycled feedstock in high-quality and safe packaging. Our holding company operates seven plants that produce polymer packaging, closures, and vials. They are located in Vladivostok, Kazan, Krasnoyarsk, the Moscow Region, St Petersburg, Yekaterinburg and Rostov-on-Don. Apart from them, we have two facilities producing primary and recycled PET in the Moscow Region. Also, we run joint projects on separate waste collection with Russian and international companies. For example, we held a joint campaign with Coca-Cola Hellenic called Tackle plastic waste campaign, where we installed containers for plastic waste collection in Solnechnogorsk.

We started to apply the circular economy principles more than ten years ago, when it was not a global trend yet. The launch of Plarus, the plant producing granulated and recycled raw materials, was our social project set to improve the environment for future generations. As a green company, we are committed to responsible business practices and circular economy principles as our core values.

Now that the whole world is entering a new economic era, we have a strong competitive edge in terms of PET processing, as we have pioneered it in Russia.



The Company's plant in Solnechnogorsk was launched back in 1997.



Founded back in 1997, Europlast is one of the largest companies producing and recycling PET containers in Russia.

What is the current state of your segment in the packaging market? What are the main trends and development patterns?

Packaging is becoming more advanced and easy to use. We seek to pursue a tailored approach to our customers, so we design unique packaging and closures to offer solutions for everyone. In doing so, we rely, among other things, on our partnership with SIBUR, as our joint projects are essential to unlocking new business solutions.

However, the core requirements are dictated by end consumers of food and drinks, who opt for a convenient and easy-to-open packaging. The key trends are smaller packaging weight and unique design of closures and PET vials, and this overall direction is unlikely to go through a sea change in the coming years.



The production of PET preforms.

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What is the current structure of the PET packaging market in Russia and globally?

In terms of structure, the Russian market is similar to the global market, with drinks accounting for 55%, beer – 18%, dairy products – 13%, oil – 8% and groceries – 6%.

Worldwide, 82% of all PET packaging is produced for water, soft drinks and other beverages, while food and non-food products represent the remaining 11% and 7%, respectively.

Europlast teams up with such global majors as Coca-Cola and PepsiCo. How difficult is it for a Russian company to meet international standards? How does this collaboration help your company grow?

Our clients are large multinational companies such as Coca-Cola, PepsiCo, Danone, Baltika, Heineken, AB InBev Efes and Unilever, as well as large and medium-sized Russian businesses. All our production sites stick to the World Class Operations Management (WCOM) practices rolled out as part of the lean production system which helps consistently improve our operating performance.



Plarus, a plastic recycling plant.

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We want our products to meet the highest quality standards and are always happy to have them verified. Our products are compliant with FSSC 22000, ISO 9001:2008 and the FDA requirements and are suitable for food products. Primary and recycled granules we make are tested annually in the leading European labs and certified to comply with global standards. This level of responsibility towards our customers keeps us in the lead of the Russian market of PET packaging and closures.

In July, Baltika, PepsiCo and Unilever signed a memorandum with Europlast to support the Environment national project promoting effective industrial waste management. What does this agreement stand for?

We plan to implement joint initiatives focused on modern technologies and innovations in waste management, and to promote environmental education campaigns and recycling culture. We will also join forces with other market experts to increase the share of recycled PET packaging.