



DEVELOPMENT PATH

Andrey Khabibulin, CEO of Europolymer-Trading, talks about how the company is navigating the polymer materials market, export and import trends, and import substitution, as well as about its cooperation with SIBUR.

What is Europolymer Group like today and what are its key business lines?

Europolymer Group is a manufacturing and trading company that focuses on the production of polyethylene films, recycled polymers, mineral filled compounds and white masterbatches, as well as supplying polymer manufacturing equipment to the Russian market. This includes injection moulding machines, film production lines, bag making machines and plastic recycling equipment.



ANDREY KHABIBULIN

CEO of Europolymer-Trading

Our core products are film and pipe (over 12 ktpa) and calcium carbonate compounds (same amount). We also produce approximately 5 ktpa of recycled plastics.

Europolymer's products find application in a number of industries, including food, construction, chemicals, consumer goods, wood processing, and utilities.

In 2016, Europolymer launched the production of CaCO₃ filler compounds under its own brand RAMOY. Tell us about it.

RAMOY calcium carbonate compounds have proven to be highly efficient and cost-effective fillers. They are used across many industries to make a wide array of polymers, including bags, films, pipe, tableware, moulded products and so on.



Europolymer facility.

OUR CORE PRODUCTS ARE FILM AND PIPE (OVER 12 KTPA) AND CALCIUM CARBONATE COMPOUNDS (SAME AMOUNT). WE ALSO PRODUCE APPROXIMATELY 5 KTPA OF RECYCLED PLASTICS.

RAMOY additives make products more durable and increase their cold and impact resistance. On top of that, the use of calcium carbonate additives in polymer production creates strong synergies in terms of streamlining process flows, reducing production costs, and improving consumer properties of products.

Customers often have specific requirements when it comes to materials, like switching polymer grades, higher or lower content of a component, or adding a new one. We always tailor compounds to our customers' technical specifications and ensure stable and regular supplies. We can also arrange for an on-site visit of our engineers to tweak formulations and set up equipment.

When it comes to CaCO₃ compounds, our company has an extensive track record of implementation and support by a highly qualified team across all major industries where such solutions are applicable.



Europolymer took part in WaterShow 2019, a large event in the drinking water industry.

EUROPOLYMER'S PRODUCTS FIND APPLICATION IN A NUMBER OF INDUSTRIES, INCLUDING FOOD, CONSTRUCTION, CHEMICALS, CONSUMER GOODS, WOOD PROCESSING, AND UTILITIES.

Your company is an active exporter. What is your export sales geography?

Our export volumes in 2019 were around 250 t and consisted mostly of polyethylene shrink film. Our main destinations are Kazakhstan, Ukraine, Belarus, Armenia and Azerbaijan.

How does the import substitution policy influence your business? Do you plan to expand the product range?

The influence is generally positive. As part of the import substitution programme, we have launched domestic production of calcium carbonate compounds used in sacks for flour, sugar and cereals, as well as bags, disposable tableware and utensils. Before, we had to import these materials (around 300 t monthly), and now we are one of the country's leading producers. Current import volumes stand at 1,200 t per month. As of today, there is no deficit of Russian-produced calcium carbonate compounds.

In 2001, the company launched a recycled polymer processing facility. What is the share of these products in your output?

RAMOY CaCO₃ ADDITIVES MAKE PRODUCTS MORE DURABLE AND INCREASE THEIR COLD AND IMPACT RESISTANCE.

Around 10%. We use recycled polymers to produce packaging films and industrial polymer pipes. We also sell them. In the next three years, we plan to double the processing volumes to 10 ktpa.

Your activities include sourcing and supplying equipment for polymer production. The company has helped launch several dozen polymer waste recycling facilities across the country. Is there much demand for that?

Europolymer is a leading supplier of polymer waste recycling equipment, which is indeed quite in-demand right now. We have three general categories of customers in this business. First, it is manufacturers of primary packaging that recycle their own waste. Second, processing companies that purchase polymer waste from manufacturers. Third, landfill operators that have implemented waste sorting programmes and recycling technologies.



Europolymer's comprehensive recycling solutions.

OUR EXPORT VOLUMES IN 2019 WERE AROUND 250 T AND CONSISTED MOSTLY OF POLYETHYLENE SHRINK FILM.

In Russia, the profitability of plastics recycling largely depends on primary polymer prices. These prices have dropped over the last six months, and so did the margins. In our view, this business needs comprehensive government support in order to take off.

What are your key suppliers? What feedstocks is Europolymer in the market for?

Our key partner in Russia is SIBUR. We have been working together for over six years. The grades that are not manufactured in Russia, we import from abroad. From SIBUR, we get several grades of low density polyethylene (LDPE). After the launch of ZapSibNeftekhim, Europolymer was the first to test and implement the facility's products: linear low-density polyethylene (LLDPE, grade LL09200FH) and PE (grades HD03580SB and HD10500FE).