

# Newsletters from the Finnish Plastics Recycling Ltd.

## CEO's review – September 2022

**Moving forward, Finnish Plastics Recycling Ltd will be a producer responsibility organisation covering all packaging materials. It will continue as an independent producer responsibility organisation, which will expand operations to also cover glass, cardboard, metal and wood.**

In the company's annual general meeting on 29 April 2022, two thirds of the shareholders agreed that it was better for Finnish Plastics Recycling to continue as an independent multi-material producer responsibility organisation. In June, Finnish Plastics Recycling applied for a producer responsibility organisation status from the Centre for Economic Development, Transport and the Environment, covering all packaging materials. Competition improves the cost-efficiency of the sector.

The goals of Finnish Plastics Recycling Ltd in the new situation include the improvement of the collection and recycling rate of packages. In order to reach the goal, Finnish Plastics Recycling is developing its operations and will focus more on improving guidance. The goal is also to promote innovation and to secure recycled raw materials for Finnish industry.

### **The new Waste Act encourages change**

The Waste Act reform requires that the packaging producer responsibility organisation sector covers all packaging materials. This has forced the producer responsibility organisation to change, as prior to the change, there have been producer responsibility organisations operating in Finland that specialise in packaging materials.

### **Finnish Plastics Recycling Ltd implements new operating model**

The biggest challenges in the future have to do with the recycling of plastic and the obligations related to producer responsibility, which build cost pressures. Currently, the share of plastic is two thirds of all producer responsibility costs of packaging paid by the producers. Therefore, plastic will play a key role in producer responsibility organisations producing packaging.

Despite the changed situation, all operative agreements concerning Finnish Plastics Recycling Ltd's plastic packaging and those agreed on with the processors (e.g. stakeholders, terminals) will remain as they are. Finnish Plastics Recycling will negotiate similar agreements for other materials and strengthen its organisation to tend to the producer responsibility concerning all packaging materials. In addition, Finnish Plastics Recycling's Board of Directors has been preparing a new strategy for the company.

Finnish Plastics Recycling Ltd wants to work in close cooperation with competing producer responsibility organisations in order to avoid unnecessary and overlapping activities. This will result in cost savings that will ultimately also benefit the consumers, as the recycling fees of the packaging show in product prices. The producers will also benefit from the cost-efficiency and increased recycling rate gained through competition.

## PVC plastic packaging can be sorted through plastic package collection

**The sorting of plastic packaging will change as, from the start of June, households can sort PVC plastic packaging with other plastic packaging into the property's own sorting containers or at Rinki collection points.**

The sorting of packaging made out of PVC plastic will change. As of the start of June, they can be sorted with other plastic packaging. As other plastic packaging, PVC plastics should be sorted emptied and dried.

“Based on our sorting surveys, the amount of plastic packaging made out of PVC was only a few per mille of the total volume of all plastic packaging. The volume is so small and the sorting facilities so developed that packagings made out of PVC plastic do not affect the sorting of other plastic packaging. These can be processed with other plastic packaging,” says Mika Surakka, CEO of Finnish Plastics Recycling Ltd.

### **The goal is to further reduce the volume of packaging made out of PVC plastic in Finland**

Plastic packaging made out of PVC plastic are currently used in medical packaging and in miscellaneous products in the form of thermoplastic packaging, for example. While the rate of their use is currently low, the goal is to further decrease it. Finnish Plastics Recycling Ltd strives to do this by, for instance, increasing the recycling fees for packaging made out of PVC plastic in relation to other plastic packaging and by training the companies producing the packaging to use other types of plastic in packaging.

### **Increasing the recycling rate of plastic packaging requires correct sorting in households**

As of the start of 2025, the goal is to recycle at least 50 per cent of used plastic packaging. Sorting is a small everyday act, but when enough people sort their waste correctly, the environmental effect is multiplied and an adequate amount of used plastic packaging can be recycled.

In the recycling chain of plastic packaging, proper sorting plays a key role, which is emphasised as the volume increases.

The more and better households sort plastic packaging, the better the recycling plants can separate different types of plastic into the production of high-quality recycled products.

“It is important to properly sort plastic packaging not only for the environment, successful sorting and quality raw material for recycled plastic but also for the cost savings. Currently, over 20 per cent of collected plastic packaging is material other than plastic packaging. Processing these results in several millions of additional costs for the producers, which could be reduced through small everyday environmental action,” explains Surakka.

### **How to sort your plastic packaging**

- Only sort plastic packaging into the plastic collection container. Other plastic items, such as toys, should be sorted with mixed waste.
- If necessary, rinse the plastic packaging by using cold water or use a paper towel to wipe them clean.
- Sometimes the packaging is a mix of plastic and other materials. If most of the weight of the packaging comes from plastic, the packaging should be sorted with plastic.
- If the packaging is made up of several different parts, such as a lid and pump, detach the parts and sort them separately.
- Do not place plastic packaging in the collection container so that they overlap. When the packaging is sorted separately, it is easier for the recycling plant’s technology to identify the different plastic types.

More tips can be found at [www.muovikuuluukiertoont.fi/kierratysvinkit/](http://www.muovikuuluukiertoont.fi/kierratysvinkit/) (in Finnish).

## The recycling rate of plastic packaging increased slightly last year

### **The collection rate of non-deposit plastic packaging increased by 4.6 per cent from 2020.**

In 2021, a total of 127,800 tonnes of plastic packaging were placed on the market. Of these, a total of 52,989 tonnes were collected. Thus, the collection rate for all plastic packaging placed on the market was 41.44 per cent. The collection rate increased by 4.6 per cent from 2020. The growth of the collection rate was slower than what was budgeted.

According to the new calculation method, in 2021, the overall recycling rate for non-deposit plastic packaging was 23.7 per cent. In the new calculation method, plastic packaging recycled to produce new raw material is calculated from the volume introduced to the market. The growth from the previous year was 3.83 per cent.

### **New methods towards a minimum recycling rate of 50 per cent**

For 2025, the minimum recycling rate for plastic packaging has been set at 50 per cent. Finnish Plastics Recycling Ltd sees that the new goal poses a challenge.

“Without increasing the amount of collection, the recycling rate goal is impossible to reach. In order to reach the goal, significant growth of the collection rate and new methods of recycling are required,” says **Mika Surakka**, CEO of Finnish Plastics Recycling Ltd.

As of 1 July 2023, changes to the legislation will improve the collection rate. Thereby, there must be at least 1,000 collection points for plastic, and property-specific separate collection of packaging will become statutory in properties with at least 5 apartments.

### **Correct sorting is another significant factor**

“Nearly a quarter of the material sorted with plastic packaging is material that does not belong there. These impurities result in significant additional costs for the producer responsibility organisation, posing a challenge for recycling. It would be important for the consumers to follow the sorting instructions,” says Surakka.

Moving forward, other packaging materials will be equally important for Finnish Plastics Recycling Ltd. As was decided in the shareholders’ meeting, Finnish Plastics Recycling Ltd will continue its operations as an independent producer responsibility organisation covering all packaging materials. Based on the changes, Finnish Plastics Recycling Ltd has submitted a multi-material producer responsibility organisation application to the Pirkanmaa Centre for Economic Development, Transport and the Environment.

## Finnish Plastics Recycling Ltd tenders consumer packaging terminals

### **Finnish Plastics Recycling Ltd will tender the terminals receiving consumers’ plastic packaging. The tendering starts in April 2022. The new contract period will run from the start of 2023.**

Finnish Plastics Recycling Ltd will tender the property collection terminals receiving plastic packaging. The tendering starts in April 2022.

“The new public sector agreement poses new obligations for consumer packaging terminals. Therefore, all agreements must be updated. At the same time, we require new measures from the terminals for ensuring quality. We now have agreements with 45 terminals, the majority of which are private companies. We

would hope to be able to have at least the same number of operators with us for the next three-year contract period,” says Mika Surakka, CEO of Finnish Plastics Recycling Ltd.

The recycling volumes of plastic packaging will grow further from July 2023 onwards, as properties with five or more apartments must have separate plastic packaging collection. The municipality’s contractual operator collects the packaging from the properties’ sorting containers into the consumer packaging terminals. In accordance with the legislation, the municipalities shall decide which operator handles the collection, and Finnish Plastics Recycling Ltd tenders the terminal partners.

### **With the new legislation, the goal is to increase the recycling rate of plastic packaging**

Recycled plastic is a valuable raw material. In 2020, of the plastic packaging introduced to the market, 36.8 per cent were collected and almost 20 per cent recycled. The new Waste Act is aimed at further increasing the rate. The goal is that, as of the start of 2025, at least 50 per cent of all plastic packaging introduced to the consumer and business market is recycled every year.

“For the entire value chain, it is important that plastic packaging be sorted correctly. After use, cleaned and dried plastic packaging should be sorted into plastic packaging collection containers, from where they are transported to a consumer packaging terminal to be sorted and recycled. The role of the terminal in ensuring collection quality is important. Correctly sorted packaging can be used to produce recycled plastic,” says Surakka.

## [Finnish Plastics Recycling Ltd will soon be recycling all packaging](#)

**Moving forward, the service selection of Finnish Plastics Recycling Ltd will cover all packaging materials. This change stems from the reform of the Waste Act. The reform will benefit producers and consumers, as competition will improve cost-efficiency.**

The Waste Act reform requires that the packaging producer responsibility organisation sector has to cover all packaging materials. In its annual general meeting held on 29 April 2022, Finnish Plastics Recycling Ltd decided to revise its articles of incorporation in accordance with the new legislation. In the past, glass, metal, plastic, fibre and wood were handled by separate companies.

### **The reform is aimed at cost-efficiency**

Moving forward, Finnish Plastics Recycling Ltd will continue its operations as an independent producer responsibility organisation covering all packaging materials.

“The owners of Finnish Plastics Recycling Ltd felt that this was the best option. The competition will develop the operations of packaging recycling. I believe that the change will result in innovations being made use of more efficiently than before in order to meet the obligations of the new legislation. Achieving the recycling rate for plastic packaging poses a challenge, and meeting the goals requires action from the entire value chain. Ultimately, the cost savings will benefit the consumers, as the recycling fees of packaging show in the prices of products. At the same time, the producers will also benefit from the cost-efficiency and increased recycling rate gained through competition,” says Antti Tiilikainen, Chair of the Board of Finnish Plastics Recycling Ltd.

“This is good news for all of Finland’s recycling economy. Our goal is to increase the collection rate of all packaging materials as well as to increase the recycling rate. Another important goal is for us to be able to guarantee the availability of recycled materials for Finnish packaging producers also in the future,” says Surakka.

## **Packaging producer responsibility organisation cooperation will continue, changes only concern the recycling operations**

Finnish Plastics Recycling, as other producer responsibility organisations, must submit its new producer responsibility organisation application to the Pirkanmaa Centre for Economic Development, Transport and the Environment by 30 June 2022. The old permit will be valid until the new permit has been granted. All service agreements and producer agreements will remain in force as they are, i.e. there are no changes that concern the producers.

Moving forward, the packaging producer responsibility organisations will continue their cooperation concerning collection points, household collection and terminals. Only the actual recycling operations of the producer responsibility organisations will be separate.

“Finnish Plastics Recycling Ltd wants to work in close cooperation with competing producer responsibility organisations in order to avoid unnecessary and overlapping activities, which also results in additional costs,” says Surakka.

## **Recycling plastic packaging through the use of solar power – Riihimäki gets its first zero-emission waste compactor**

**Finnish Plastics Recycling Ltd and Europress Group Oy are implementing a new kind of zero-emission waste compactor for the recycling of plastic packaging. The first waste compactor running on solar power will be piloted in Riihimäki.**

At the Rinki collection points located in connection with Riihimäki’s K-Citymarket, consumers can now recycle plastic packaging through the use of solar power, as Finnish Plastics Recycling Ltd has adopted a new kind of waste compactor for plastic packaging. The zero-emission CombiMax SMARTSolar waste compactor was manufactured by Europress Group Oy. The waste compactor, which uses solar power, recycles plastic packaging without emissions.

The sturdy and efficient CombiMax SMARTSolar is powered by using the four solar panels located on its roof. The device does not require power to run, meaning that it can be used even where there is no electricity available, such as at marinas. It runs silently and is just as effective as conventionally powered devices.

The waste compactors buffer the needed power into smart power batteries. When the sun cannot be used to provide sufficient power, such as in winter, the batteries can be charged by using regular luminous flux. Thus, the device has been designed with the capacity to run throughout the year.

### **The Riihimäki pilot project determines choices for the future**

For the time being, the CombiMax SMARTSolar waste compactor will be tried out in Riihimäki. Based on the trial period, Finnish Plastics Recycling Ltd will make plans with regard to replacing the waste compactors used for plastic packaging, which need to be replaced, with these machines. If possible, in 2023, new Rinki collection points will be equipped with Europress’ waste compactors running on solar power.