



WASHING AND EXTRUSION PLANT OF PE
AND PET WASTE

MINISTRY OF ECONOMY
CENTRAL BOSNIA CANTON

PROBLEM IDENTIFIED

- ▶ Enormous quantities of waste is ending up in the environment all over the country. Yet, the collecting activities in Bosnia and Herzegovina are still on very low level.
- ▶ The new project will contribute in great extent in cleaning the environment throughout collecting waste by installing several press machines on different locations across the country, where the collection of PE-PP and PET waste would be organized, and besides those collecting points, the new company will also purchase this sort of waste from other suppliers.



PROJECT IDEA

- ▶ The project is designed to collect/purchase PE-PP and PET waste and then further process it on the plant for washing and extrusion of PE-PP and PET waste. It is going to be organized in two segments:
 - ▶ collection and purchase of PE-PP and PET waste and
 - ▶ further processing of that waste for production of regranulate, and further processing of the waste and making industrial foil parallel with the regranulate.
- ▶ The capacity utilization is planned to increase gradually every year for certain percentage and the capacity utilization is calculated with some 90% of the full capacity according to technical specification of the equipment.



SWOT ANALYSIS

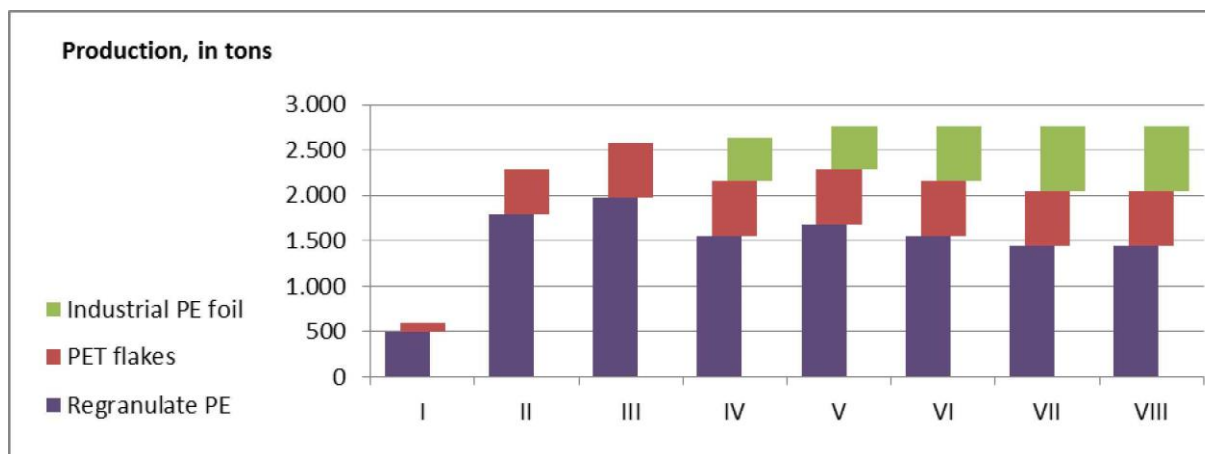
STRENGTHS	WEAKNESSES
<p>Socially useful activity of waste processing - useful local role makes things easier; Collecting waste is still very undeveloped and the role of manpower in sorting the waste is inevitable, so low labor costs is very important factor, and there are no any serious industry in B&H for recycling plastic waste; Regardless the fact what kind of future will plastic have, recycling of plastic waste is inevitable in the following two decades; Experience and knowledge acquired</p>	<p>The entire project depends on a loan to be approved; New in recycling business with new equipment; New on EU market of PE regranulate and PET flakes; Business premises (to be rented)</p>
OPPORTUNITIES	THREATS
<p>Undeveloped activity of collection and recycling of plastic waste in B&H; Increasing demand for regranulate in domestic as well as in the world market; Irreplaceable role of human labor in the process of collecting and recycling of plastic waste, big rate of unemployment in B&H and low labor costs; The necessity of cooperation between public and private sector in B&H about resolving the issue of waste management; Market in constant growth</p>	<p>Uncertainty and lack of uniformity of regulations when it comes to the industry of plastic in B&H and in the world; Competition from other developing countries with low labor costs and large quantities of plastic waste; Uncertainty in economy policy in B&H, especially policy about waste management; Competition from the EU; Bureaucratic and administrative complications in B&H; Increase in price of raw material Increase in price of electricity and labor force</p>

USES AND THE SOURCES OF FUNDS

INVESTMENTS IN FIXED ASSETS (in EUR)							
USES OF FUNDS		SOURCES OF FUNDS				INVESTMENT TIMING	
Description	Amount	Investment /Credit	Owner's New Inv.	Owner's Prior Inv.	Other Financing	Inv Mo-Yr	
Furniture, Fixtures, Equipment							
Washing and extrusion plant of PE and PET waste (Section 1 and Section 2)	1,250,000	1,250,000				2015	
Extruder (for industrial foil production)	110,000		110,000			2018	
Truck	30,000		30,000			2017	
Van, 2T (3 pieces)	45,000		45,000			2017	
Press machines (3 pieces)	30,000		30,000			2017/2018	
Other equipment	50,000		50,000			2015	
Subtotal:	1,515,000	1,250,000	265,000				
Buildings & Land							
Production site, 2000m ² Indoor space; 3000m ² Eco Yard space (to be rented)	100,000		100,000			2015	
Other buildings & land							
Subtotal:	100,000		100,000				
Working Capital							
Working capital (for starting production cycles)	200,000		200,000			2015	
Other working capital							
Subtotal:	200,000		200,000				
GRAND TOTAL:	1,500,000	1,250,000	565,000				

PRODUCTION

Ref. No.	Production	YEAR (Tons)							
		I	II	III	IV	V	VI	VII	VIII
1	Regranulate PE	500	1.800	1.980	1.560	1.680	1.560	1.440	1.440
2	PET flakes	100	480	600	600	600	600	600	600
3	Industrial PE foil				480	480	600	720	720
Total		600	2.280	2.580	2.640	2.760	2.760	2.760	2.760





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