## Regional Activities



## New Recycling Center at Volvo Construction Equipment's Components Division (CMP) in Eskilstuna

In connection to the construction of a new building at Volvo Construction Equipment's Components Division (CMP) in January 2008, NAP buyers in Eskilstuna saw the opportunity to realize their idea of transforming the way CMP deals with waste management.

**Traditionally, Volvo owns** a number of waste containers at each factory and office. Our waste management suppliers take care of emptying the containers of waste that we separated into metal, plastic, cardboard, chemical and combustible waste. In Eskilstuna, Volvo Construction Equipment and Volvo Group NAP decided to try an alternative way of managing waste.

"We contacted four suppliers and asked them how they could help us improve the way we deal with our waste products. We wanted the supplier to own all the equipment, and propose an efficient system for operating and maintaining the recycling center", says Peter Johansson, senior NAP buyer in Eskilstuna.

Peter Johansson continues: "Even though waste management is not part of the Volvo Group's core business, environmental care is one of our core values. We understood that we had to get better at separating what we throw away. Besides the fact that separating waste is regulated according to Swedish law, it saves both time and money. The recycling company pays us for pure –i.e. unmixed- waste. If we leave our waste unsorted, on the other hand, the supplier has to separate it, which they will charge us for. Therefore, we need to take responsibility for our waste and separate it to the best of our ability."

## THE NEW RECYCLING CENTER

On 1 December 2008, the new recycling center at CMP in Eskilstuna was inaugurated. The new purpose-built recycling center offers many advantages.

**Since the new containers** were placed inside the new building –previously, they were located outside- we can avoid

From left to right: Ivan Obovac, manufacturing vice president, Peter Johansson, senior buyer NAP, Alfred Renner, segment buyer NAP, Jörgen Svenningsson, president, Urban Eriksson, Stena Recycling, Jonas Wärnerskog, Stena Recycling, Jan Stighagen, environmental manager.



all outdoor driving. We can do away with the outdoor forklifts and stop dragging dirt inside the factory. This saves a considerable amount on cleaning costs. Furthermore, the new equipment detects when a container is full and automatically notifies the supplier that it is time to empty. In the past, the recycling company operated our waste containers continuously, which resulted in a higher maintenance cost. All in all, the cost for managing waste at the CMP factory has been halved.

**Another major benefit** is that the new recycling center facilitates our reporting. Each of the Volvo Group factories needs to report environmental and waste statistics to the Volvo Group for the annual report. In Sweden, we also need to report this information to the local authorities at regular intervals. Nowadays, we can download detailed statistics from the supplier's web portal, avoiding the delays we faced in the past. Accurate reporting also enables us to follow up and improve our internal work.

**Besides owning and maintaining the equipment,** the agreement with the supplier includes collecting, emptying, separating and recycling of the factory waste. However, the success of the recycling center will depend on a close cooperation, we need to work together!

"We are confident that we have chosen the best supplier for the purpose: Stena Recycling. Together with Stena, we will develop the recycling center, and reduce the amount of waste that we cannot recycle", concludes Peter Johansson.

To date, Volvo Construction Equipment in Eskilstuna is the only Volvo Group company using this type of waste management set-up.



For further information, please contact Peter Johansson peter.e.johansson@volvo.com