



# **CESME**

# NCC RECYCLING INDUSTRY

# Presented by Business Development Centre North Denmark (LP) North Denmark Region (PP2)

#### Point of contact

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### **Brief description of good practice**

NCC Recycling is a new business area for the large construction company. Several waste terminals have been established in 3 nordic countries receiving waste materials from the construction and building industry such as soil, bricks, asphalt etc.

The waste materials are being refined into new materials in order to be reused.



The biggest waste flow is based on wood and plastic. The main focus is to sort as early in the chain as possible and reuse as much as possible. Closing the loop as a construction company with sustainable solutions is a big market advance right now.

The impact from the NCC Recycling are

- Fulfillment of nationale and European environmental target indicators
- A profitable business area (in time)
- Strong partnerships across the business value chain

### Problems/challenges and how they were overcome

The EU Directive on Waste requires that 70% of all construction and demolition waste must be recovered or recycled by 2020 at the latest. Denmark is very close to this target by now.





NCC is a major construction company that even has its own grawel pits. In time these will be depleted while at the same time construction waste seems to be a constant source as the market for recyclable industrial waste is free and the total amount of waste appears to increase in the future.

NCC decided to try out a new business model; optimizing ressource consumption, reducing climate impact, contributing to recycling and handling and depositing waste in a safe and environmentally friendly manner.

NCC Recycling is thereby a new business area in the Nordic countries established to reduce the amount of construction waste such as stone, concrete, soil and bricks by recycling the majority of the waste into new construction materials as well as new asphalt.

NCC Recycling contributes not only to the fulfillment of the EU Directive on Waste and the key environmental challenges in the society but also to the NCC competitiveness and company profile as well as for their suppliers.

So far waste terminals have been established in Denmark, Sweden and Finland. There is no strategic plans in going to Norway due to the market situation there. In short the business model is as follows:



#### **Impact from Good Practice**

NCC Recycling contributes to the fulfillment of national as well as European environmental target indicators.

Furthermore, NCC Recycling utilizes an obvious growth potential in the markets while at the same ensures access to materials within NCC's own value chain which includes a strengthened competitiveness.

Finally, it contributes to solve the waste problem by customers and suppliers which allows them to reach their target indicators as well.

## **Lessons learnt from the Good Practice**





It is time consuming to develop and establish the business model which is unprofitable at the beginning until you reach break even and it starts to pay off.

On the contrary it strengthens solidarity, coopeation and understanding with partners, as you become an natural part of each others' value chains.

## Recommendation you want to stand

Despite the investment and the change in the value chain, recycling turns out not only profitable but also as a key to strong partnerships and thereby competitiveness for all parties included.

#### For more information

Please check the following link:

http://www.ncc.dk/produkter-og-services/recycling/