



PLASTIC – A RAW MATERIAL FOR THE PRESENT AND FOR THE FUTURE

News: The latest developments in Brussels –
Are they a threat to the German market?

Water management: The urgent need for a
reorganization of the wastewater market

Circular-flow economy: REMONDIS' recycled
plastics receive approval for use in food
packaging

People: Secure jobs at REMONDIS

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DECISIONS MADE IN BRUSSELS

For the most part, environmental policies are made in Brussels – by the European Union. But what will the effects be of the amendments to the Waste Shipments Regulation and the proposals for changes to the Waste Framework Directive? Is there a danger of the German market being renationalised? REMONDIS aktuell spoke about these matters with Karl-Heinz Florenz, a member of the European Parliament. **Page 7**



WATER IS THERE FOR EVERYONE. WASTEWATER ISN'T ...

In Germany, the disposal and treatment of wastewater is regarded as a public task – in absolute contrast to the supply of drinking water which has always been seen as a commercial business. What is the sense in that? A commentary by Dr Stephan Harmening, managing director of the Bundesverband der Deutschen Entsorgungswirtschaft/BDE (Federal Association of the German Waste Management Industry) **Page 10**



TOP QUALITY PLASTICS RECYCLING

Life as we know it today cannot exist without plastics. Innumerable forms and combinations of polymers can be found in practically all technical as well as everyday equipment. Today, a large percentage of the raw materials used to make this equipment is recycled material. **Page 16**

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EDITORIAL



■ Egbert Tölle

Dear Readers!

MARKET MOVEMENTS

Looking back, the branch has undergone more changes this year than at practically any other time in the past. The consolidation of the circular-flow economy in Germany and abroad has been moving along in leaps and bounds and the company has positioned itself to face the great challenges of the future: the globalisation of the markets and the increasing demands from customers who expect a wide range of services covering all aspects of the water management and the circular-flow economy. Work continues in Europe – especially in the new EU member states – to set up a functional circular-flow economy. Great changes are taking place on the markets here – providing opportunities for many companies. The development of the circular-flow economy to becoming a raw material supplier is putting demands on businesses, too. Faced with the background of dwindling natural resources, the branch shall find itself playing a more and more important role as suppliers of raw materials. REMONDIS has been moving in this direction for many years now and is playing a leading role on different raw material and product markets. An example of this is plastics processing. You can read more about this on page 16.

DANGER FROM BRUSSELS

The latest developments in Brussels have been alarming for private businesses working within the water management and circular-flow economy. The amendments to the Waste Shipments Regulation, the proposals for changes to the Waste Framework Directive and the efforts made by the European Commission in the area of Public Private Partnerships must not be allowed to result in parts of the German circular-flow economy being renationalised. This development is a clear step backwards for us – especially if the financial situation of the municipalities is taken into account. Turn to page 7 to hear the comments of an MEP on this matter.

UNFAIR TAX LAWS

The opportunities for private companies in the water management and circular-flow economy are not good either:

the new German government is not intending to change the tax advantages which municipal companies enjoy. In our opinion this shall mean that the market shall be unable to develop. The result is unfair competition, as the companies run by the larger cities and the water associations act just like private companies – but still enjoy the advantages granted to them in the past but for which there are no justifiable reasons. To see what the Federal Association of the German Waste Management Industry (Bundesverband der deutschen Entsorgungswirtschaft/BDE) feels about this matter, turn to page 10.

REMONDIS CONTINUES TO EXPAND

Despite these developments, REMONDIS is not allowing itself to be held back. The year 2005 has been a very eventful year for our company. The integration of RWE Umwelt has been successfully completed and the REMONDIS Group is well prepared for the future. A clear focus is to be put on the international markets over the next few years. We are following our customers around the globe together with the stable base which REMONDIS has built up on the markets where it is active and with our wide range of services both within the water management and the circular-flow economy. A topical example is the current implementation of the Directive on waste electrical & electronic equipment (WEEE). REMONDIS Electrorecycling has been preparing for this moment for years and is now in a position to provide its customers with a comprehensive service package throughout the whole of Europe. To find out more, turn to page 28.

I would like to use this opportunity to thank both our customers and business partners for the work carried out together in 2005. A special “thank you” must also be said to our employees who have all worked with great commitment to ensure that the integration of the REMONDIS Group was concluded successfully within a very short period of time and so preparing the Group for its future expansion plans.



Egbert Tölle, Board Member



Corporate development

“We shall use every opportunity available to achieve growth”

AN INTERVIEW WITH DR HERMANN NIEHUES, CHAIRMAN OF THE SUPERVISORY BOARD AT REMONDIS AG & CO. KG

REMONDIS aktuell: The new German government is aiming to continue the move towards a future-oriented environmental policy – this is what has been agreed on in the coalition agreement. What do you expect the Government to do as far as the development of the water management and circular-flow economy is concerned?

Dr Niehues: Unfortunately, the coalition agreement is not very detailed with regard to the water management and circular-flow economy. Whilst the parties say that they are looking to achieve a sustainable material economy which conserves natural resources, they do not mention any new initiatives. They do not, for example, make it clear to what extent they are actually interested in maintaining the material recycling quotas that have been laid down in the German Packaging Ordinance (Verpackungsverordnung). The branch shall only be able to afford to pay out the necessary reinvestment amounts, if the obligations of the dual systems – especially concerning the collection from households – are regulated in a more clear manner through an amendment of the German Packaging Ordinance. If this

does not happen, then the dual systems shall find themselves being an arbitrageur of a “down-cycling” competition process which in turn shall result in all market players emerging much weakened.

We were sorry to read in the coalition agreement that the tax advantages for the disposal of wastewater and waste are to remain in place. This plan, together with the VAT increase by 3 percentage points, shall slow down the actual desired goal of privatising municipal services – despite overstretched public finances. According to the terminology of the German Ministry of Finance, the tax advantages are subsidies for municipal businesses.

However, we are assuming that we shall be able to convince a number of government units and especially industrial businesses of the advantages of outsourcing projects.

REMONDIS aktuell: REMONDIS is continuing to grow. The company has already become market leader in Germany and Poland. Where do you believe are the future growth opportunities for the REMONDIS Group?

Dr Niehues: We are certainly the market leader in the two countries you named, but we still only have a relatively low share of the market areas. We believe that we can continue to expand in both countries. This is especially true for those regions in which we do no or very little business and certainly in those sectors where the development process is only just starting. This includes, above all, incineration and energetic recovery as well as the recycling of waste electrical & electronic equipment.

REMONDIS aktuell: How important is the enormous growth on the Asian market for REMONDIS? To what extent will REMONDIS be participating in this development?

Dr Niehues: The Asian region is, of course, growing at a very rapid rate. This is especially true for the conurbations in China but also for India and other fast-developing nations. We are observing these markets very closely. When assessing the market opportunities which may be available in Asia – and also those in Eastern Europe – it is also necessary, of course, to weigh up the stability of the law in the countries concerned. As fee regulations and environmental law have not yet been set up or consistently been implemented in many countries, investing in such nations still involves some very high risks.

REMONDIS aktuell: For some years now, REMONDIS has been more active on the energy market and has been investing in biomass-fired power plants, in the production of substitute fuels and also in the production of biodiesel. What have your experiences been in this area and how are you expecting it to continue?

Dr Niehues: The Technical Guidelines for the treatment and disposal of municipal waste (Technische Anleitung Siedlungsabfall) and thus the obligation to pre-treat waste before it is disposed of has – besides the rights of biomass-fired power plants to supply electricity – considerably stimulated the energetic use of waste materials. In this respect, it can be assumed that the demand for high calorific waste shall considerably increase in the foreseeable future and that a new market shall emerge for these material streams alone. The separation of high calorific waste shall result in capacity expansions at classic waste incineration plants and, possibly, even in undercapacity again in the medium term. One must hope, in this respect, that all those businesses investing in biomass-fired power stations realize that a scarce resource, namely capacity at the moment, can also very quickly turn into an oversupply.

As far as the production of biodiesel is concerned, it can be assumed from the coalition agreement that it shall no longer be exempt from the mineral oil tax and that mandatory quotas concerning the addition of biodiesel to fuel shall be set out. This will certainly alter the markets and considerably lower the level of euphoria on this market sector.

REMONDIS aktuell: REMONDIS has been active on the water market for over 25 years now. What are your future goals within the water and wastewater sectors? What share of the Group's business should the water management business have?

Dr Niehues: The water market is not only a very important part of our service portfolio for the public sector but also for industry. We see our commitment in this area, therefore, as being both long-term and sustainable. It is difficult to predict what the share of the water management business should be in the overall company group. What is certain is that we shall use every opportunity available to achieve growth in this area. The water management business activities are currently doing very well in the industrial wastewater sector. We are also assuming, however, that a series of projects can be realized abroad. We are hoping that not all prospects for the privatisation of water management business activities shall come to a standstill as a result of the unfair tax situation in Germany. →



“Top priority has been given to increasing productivity and lowering costs, in order to be able to stand up to the pressure of competition which has, at the end of the day, come about as a result of globalisation.”

Dr Hermann Niehues, chairman of the supervisory board at REMONDIS AG & Co. KG

→ **REMONDIS aktuell:** What do you believe will be the greatest challenges which REMONDIS shall have to face, especially against the background of globalisation?

Dr Niehues: The greatest challenges for REMONDIS shall certainly be in meeting the expectations of the market with respect to providing high quality but at the same time affordable services within the area of the water management and circular-flow economy. The pressure on public funds and the burden on private consumers as well as the competitive pressure on industry have increased the price and cost awareness of all parties involved. In this respect, top priority has inevitably been given to increasing productivity and lowering costs at our company, too, in order to be able to stand up to the pressure of competition which has, at the end of the day, come about as a result of globalisation. I believe that we have fulfilled all requirements to be successful in this process.

REMONDIS aktuell: What company achievements in 2005 do you believe should be given a special mention?

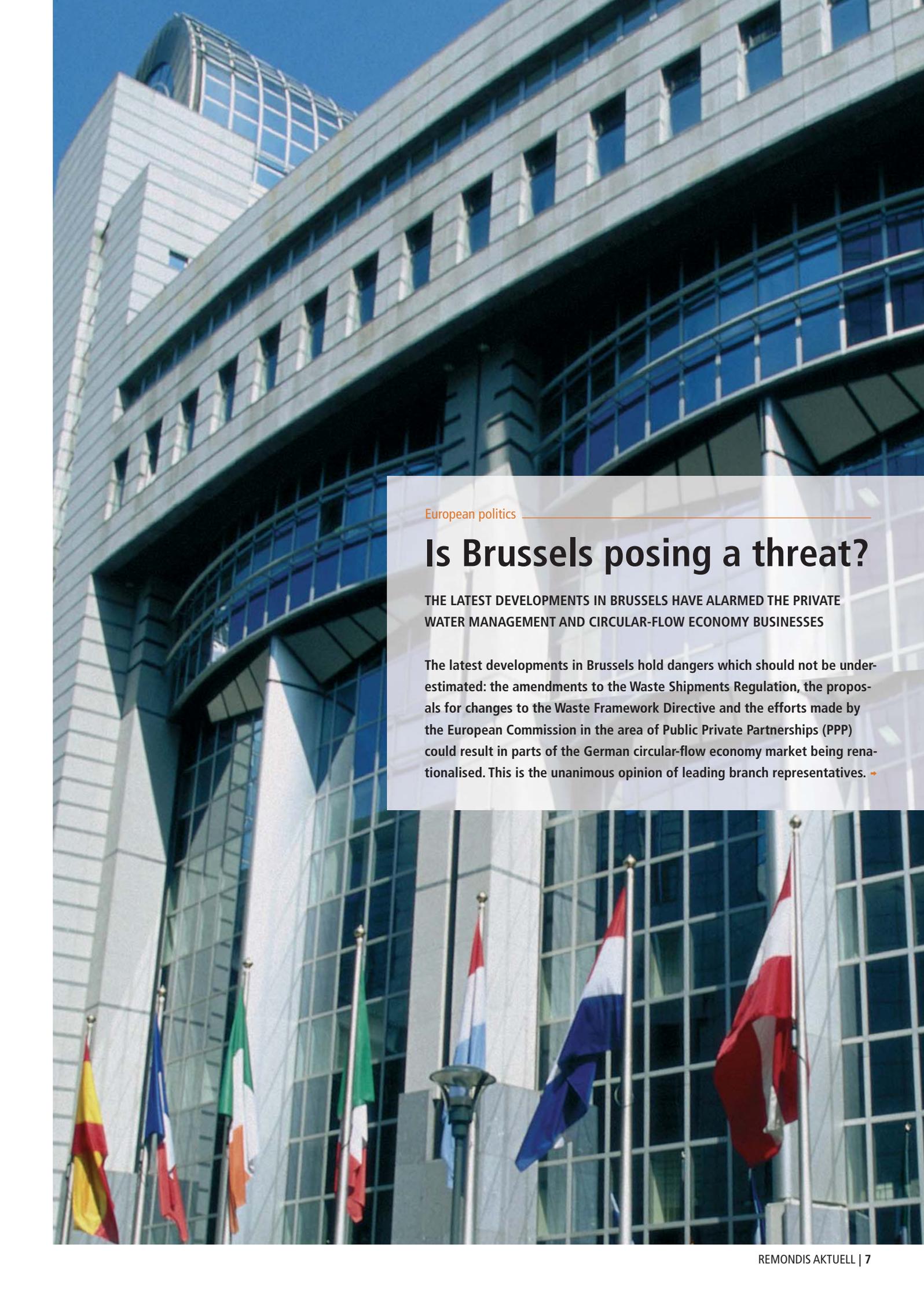
Dr Niehues: An outstanding achievement in 2005 was and is most definitely the takeover of the RWE Umwelt activities and the integration of these activities into REMONDIS' world. The performance of all those involved has been outstanding. We can certainly be proud of the fact that the integration and reorganization process has, for the most part, been successfully completed, so that we can face the challenges of the markets in 2006 together.

REMONDIS aktuell: Thank you very much for the interview.

This interview was held by Daniela Enstein

■ REMONDIS has been developing new sources of energy such as biomass using its own power plants





European politics

Is Brussels posing a threat?

THE LATEST DEVELOPMENTS IN BRUSSELS HAVE ALARMED THE PRIVATE WATER MANAGEMENT AND CIRCULAR-FLOW ECONOMY BUSINESSES

The latest developments in Brussels hold dangers which should not be underestimated: the amendments to the Waste Shipments Regulation, the proposals for changes to the Waste Framework Directive and the efforts made by the European Commission in the area of Public Private Partnerships (PPP) could result in parts of the German circular-flow economy market being renationalised. This is the unanimous opinion of leading branch representatives. →

“The German government must recapture the influence Germany has lost on the Environment Council.”

→ **REMONDIS aktuell** spoke about topical matters in Brussels with Karl-Heinz Florenz, a member of the European Parliament in Brussels.

REMONDIS aktuell: Mr Florenz, many Europeans consider the events in Brussels to be the “black box”, both now and in the future. What areas and subjects do you deal with?

Mr Florenz: Being chairman of the European Parliament’s Committee on the Environment, Public Health and Consumer Policy, my parliamentary work focuses on these three areas. I am in particular involved in the subjects of sustainability, waste and wastewater management, chemical policy, air pollution and climate change, food safety and genetically modified organisms.

REMONDIS aktuell: The private circular-flow economy has proven its efficiency since the market was partially opened up in 1994. The principle of shared responsibility between private businesses and municipalities has proven its worth – and the private sector is ready to take the next step towards liberalisation. But now Brussels is posing a threat to all this. How far is this the case?

Mr Florenz: The latest rulings of the European Court of Justice on private public partnerships (PPP) and the cautious attitude of the Commission towards PPPs involve the risk of these areas being renationalised. At the same time, the latest amendments to the EU Waste Shipments Regulation mean that the member states have the right to once again impose restrictions on the European waste disposal markets which have been partially liberalised.

REMONDIS aktuell: What effect shall this development have on PPPs?

Mr Florenz: The future of PPPs is at the moment unclear. A tightening of the in-house rules, which then completely forbids the granting of public contracts without an invitation to tender, would jeopardize conventional PPPs. I am for fair competition between PPPs and municipal businesses such as, for example, an obligation to tender and the same conditions for taxes and other charges.

REMONDIS aktuell: To what extent does the amendment to the Waste Shipments Regulation follow this trend?

Mr Florenz: According to this regulation, mixed municipal waste which is shipped for recycling purposes is subject to the same conditions as waste which is shipped for disposal. This means that the authorities shall have the right to forbid the export of certain kinds of waste in the future even if the waste is being shipped to be recycled. The result is that the municipalities now have an instrument which allows them to secure access to a large part of the mixed municipal waste from private households.

REMONDIS aktuell: Is the Waste Framework Directive heading in the same direction?

Mr Florenz: The Waste Framework Directive sets up the broad legal framework for the European waste disposal and recycling economy. The first draft is currently at the European Commission where an internal vote is to be taken on it. Similar regulations must be prevented from finding their way into it.



■ Karl-Heinz Florenz speaking with Ludger Rethmann

REMONDIS aktuell: You accused the previous German red-green government of not sufficiently representing the country’s interests in the EU Council of Ministers in Brussels. Preliminary work carried out in the area of environmental protection was thoughtlessly thrown away due to a lack of commitment. We now have a coalition between the two biggest parties. What do you expect of the new German government?

Mr Florenz: The framework of environmental policy is, for the most part, decided on in Brussels – not in the individual EU states and also not in Germany. However, the German government and the MEPs must recapture the influence Germany has lost on the Environment Council.

“Germany must think about adopting the regulations from Brussels on a 1:1 basis and insist that the other member states adhere to the European environmental regulations. Top priority must be given to maintaining the economic base for sustainability, not continuing its role as forerunner in environmental protection.” Karl-Heinz Florenz, member of the European Parliament

REMONDIS aktuell: One of your demands is for Germany and the German federal states to adopt European environmental law on a 1:1 basis. Does this not mean a step backwards for Germany?

Mr Florenz: In the past, emphasis was put less on what was feasible than on what was desirable – without weighing up the costs and benefits. Besides Germany’s solo efforts such as the “Ökosteuer” (environmental tax), Germany always likes to go one step further when adopting European environmental regulations. German companies must then tackle the problem of competitive disadvantages which its European neighbours need not face. Germany must think about adopting the regulations from Brussels on a 1:1 basis and insist that the other member states adhere to the European environmental regulations.

REMONDIS aktuell: Can you give an example of a competitive disadvantage for Germany in Europe?

Mr Florenz: Up to 80 percent of waste is still being dumped in landfills in some EU countries. This is not only a waste of resources but also a competitive disadvantage for Germany. German companies are being burdened with higher disposal costs as a result of the obligation to pre-treat waste, which came into force this June. We are demanding a Europe-wide ban on dumping recyclable waste in landfills with the aim of bringing these materials back

into the economic cycle, of reducing methane emissions which are damaging the world’s climate and of ensuring an improved and secure supply of energy.

REMONDIS aktuell: European environmental law is, on the whole, considered to be bureaucratic with a lack of transparency and obstructing investment.

Mr Florenz: Unfortunately I must agree with you. In many areas it is too complicated and impracticable. We are going to fight to achieve radical changes to get rid of dual regulations, unnecessary red tape, long and complicated approval procedures, legal uncertainties and loopholes.

REMONDIS aktuell: And how are you hoping to achieve this?

Mr Florenz: We are intending to carry out a comprehensive overview and assessment of European environmental regulations. Simplifying environmental law shall, above all, help to make it more acceptable and step up the Europe-wide implementation of the regulations. But the market players must also play a role and inform politicians of ways to avoid bureaucratic hurdles – even at the initial stages when laws are being drafted.

REMONDIS Aktuell: Thank you very much for the interview.

This interview was held by Daniela Enslein

News in brief

Poland backs market economy

EACH CITIZEN DECIDES HIM OR HERSELF WHICH COMPANY SHOULD COLLECT THEIR WASTE

Who would have thought back in 1994 when the market was partially opened in Germany that only ten years later – despite clear proof of success – there is a noticeable trend back towards the “good old days”. The situation is different in Poland – here the Government has gone much further: each

citizen has the right to choose which company should provide him or her with circular-flow economy services. The advantages are clear: a liberalized market – with a clear declaration of belief in the market economy – ensures high quality services and, above all, stable and fair prices. “It would be

desirable for this progressive mode of thinking to be adopted by the other EU states and so clear the way for liberal market structures,” said Torsten Weber, managing director at REMONDIS International. *(enslein)*





Water is there for everyone. Wastewater isn't ...

A COMMENTARY BY DR STEPHAN HARMENING

In Germany, the disposal and treatment of wastewater is regarded as a public task – in absolute contrast to the supply of drinking water which has always been seen as a commercial business. And this is the case, even though drinking water is the no. 1 foodstuff: if one of these products should require special protection by the state at all, then drinking water would be the more obvious candidate rather than wastewater. On the following pages, you can read a commentary by Dr Stephan Harmening, managing director of the Bundesverband der Deutschen Entsorgungswirtschaft / BDE (Federal Association of the German Waste Management Industry), about the current situation of the wastewater market. →





→ **BY DR STEPHAN HARMENING**

LONG-LASTING DISADVANTAGES FOR PRIVATE COMPANIES. FOR TRADITIONAL REASONS?!

To explain the surprising feature of the water market – that wastewater, a less delicate commodity, is in the hands of the state and drinking water, the more delicate commodity, is a commercial business – it is necessary to look back into the past at the very beginning of municipal water resources management. With wastewater at that time being simply discharged into city rivers or even onto the streets, the need was great to collect wastewater and dispose of it in an orderly manner to prevent the spread of disease. The result was the general obligation of connection and use which was created along with the sewerage networks.

Public sewerage systems were, without a doubt, one of the decisive reasons leading to the development and growth of our cities. Transferring wastewater treatment over to municipalities, however, also meant that this commercial activity was considered to be a public task and was exempt from value-added tax – a fact that is still true today.

“Many municipalities use the opportunity to work together with private companies to treat wastewater in order to work in a more efficient and economical manner.”

Dr Stephan Harmening

ONE HUNDRED YEARS ON, THE SITUATION IS NOW COMPLETELY DIFFERENT. MUNICIPAL WASTEWATER TREATMENT HAS FOUND ITSELF BEING STRETCHED TO ITS LIMITS

Whereas, in the past, wastewater was simply transported in an orderly manner to the closest river, it is cleaned and treated today using complex technology. As environmental awareness increases, so the demands on the sewage networks continue to increase as well as on the connection rate to households and on the treatment processes at the sewage plants. Mechanical, biological and chemical procedures are combined with one another in order to achieve high levels of purity.

Despite this, however, traces, such as medical residue, are being repeatedly picked up in the water and the current level of technology is not able to stop such matter from slipping through the system. In addition to this, the existing sewage systems are in need of a massive overhaul – cost estimates have been put at up to 77 billion euros. A sum of money which the municipalities shall be unable to raise without putting up their charges.

The municipalities are obliged, just like private businesses, to keep pace with developments both from point of view of finance and technology. However, municipalities are finding

THE SAME WORK – DIFFERENT TAXES!

Private companies are not exempt from paying value-added tax and must, therefore, put the 16 percent (soon 19 percent) on all their services in Germany. Private businesses, whilst carrying out the same services, are clearly disadvantaged when compared with municipal companies.

A SHORT PORTRAIT OF THE BDE

The Berlin-based Bundesverband der Deutschen Entsorgungswirtschaft (BDE) is the largest branch association of companies from the German waste management and recycling industry. Being both a business and an employer association, the association organizes private German companies from the recycling and waste management branch, the water supply and treatment branch as well as town cleaning businesses. Its office in Brussels represents the interests and targets of its members both at a European and international level.



■ Dr Stephan Harmening
managing director of the
Bundesverband der Deutschen
Entsorgungswirtschaft (BDE)

this more and more difficult to achieve as they must work with both limited finances and personnel. A further increase in charges is not possible, as the highest acceptable level for the so-called "third rent" for public services, such as wastewater and waste, has already been reached.

The only way to solve the current problems is to bundle together know-how and finances. Private companies working within the wastewater branch are in a position to do this as they are specialists in their field and, as far as their finances are concerned, are able to react in a far more flexible manner. The private businesses can guarantee wastewater treatment using highly advanced technology and with the required level of sensitivity towards ecological and economical matters. Already, many municipalities are only be able to guarantee the required level of wastewater treatment because they are working together with private companies.

According to the estimates of independent experts, public purses could be increased by up to 3 million euros, if the companies were taxed in the same manner – and ensuring at the same time that the same ecological level is maintained. The national, regional and municipal budgets would benefit greatly from such an increase in tax revenue.

Such a development does not necessarily mean increased wastewater charges for consumers. The reason for this is because – if all businesses had to pay the same level of tax – the way would be open to set up powerful companies. These would be able to serve the whole of the municipal water cycle – from producing and supplying drinking water to collecting and treating wastewater – in a highly efficient

and economic manner. Companies would be created which would be able to use all possible synergy effects available to them such as in the areas of administration, invoicing or the use of software. The result would be lower prices and the highest possible level of quality.

THE DIFFICULT SET-UP WITHIN THE WASTEWATER BRANCH IS HINDERING FAIR COMPETITION

Especially the water and wastewater businesses run by the larger cities and by the water associations act like

"Private companies have proven that they are, on average, 20 percent more economically efficient than their municipal counterparts." Dr Stephan Harmening

perfectly normal companies nowadays. They found privately organized subsidiaries thus becoming serious competitors for both large and medium-sized companies. But – and this is the decisive point – without having to give up their out-dated privileges, such as territorial protection or their VAT-exempt status.

This clear discrimination of the private service providers has led to a halt in development within wastewater treatment as there are no incentives to modernize the business. Private companies are in a position to work efficiently and economically. They can develop innovations and use large-scale technology. There is, therefore, an urgent need to stop treating wastewater treatment as a public task and so end the unfair tax situation for which there is absolutely no justification nowadays. Fair competition leads to low prices and high quality – and this is in the interests of all citizens.

Water at work

REMONDIS INSTALLS MODERN WATER MANAGEMENT SYSTEM AT MAN

Water refined by REMONDIS opens up a whole avenue of possibilities. It guarantees, for example, that metal surface work produces brilliant results. And, being a part of fillers, base coats and paints, it also ensures that it is not just the outer surface of the product that looks good. In addition to this, it is used in a large number of cleaning processes as well as other functions used to improve the manufacturing procedure.

■ MAN is one of the leading international manufacturers of commercial vehicles



Before being used in the manufacturing process, water must be refined using complex technology – the salts contained in the water interfere with the process and would have a negative effect on the quality of the final product. However, once the water has fulfilled its task, complex treatment steps must then be carried out to clean up the different kinds of wastewater, some of which are highly contaminated. The equipment at MAN's plant used to carry out this task needed to be extended as a result of MAN's plans to expand its production capacity and, at the same time, the technology used needed to be optimized. The contract which was awarded to REMONDIS as part of a tender – completion in March 2006, for a period of ten years – also involves management of the whole business operation.

DEMINEALISING WATER

When refining water to demineralised water, all trace elements which interfere with the production process, such as minerals and salts, are removed so that the water has a

very high level of purity thus ensuring that the manufacturing process can be carried out without any problems.

TREATING WASTEWATER

Wastewater containing oil as well as heavy metal and particles of paint – resulting from production processes such as surface finishing work and the painting of the vehicles – is carefully processed. To achieve this, REMONDIS uses, for example, modern membrane technology (ultrafiltration) as well as chemical and physical methods.

TWO PARTNERS WHO KNOW WHAT IT IS ALL ABOUT

The MAN Nutzfahrzeuge Group is one of the leading international manufacturers of commercial vehicles and has very high expectations of its partners who operate machinery on-site at its plant.

For over 25 years, REMONDIS Aqua GmbH & Co. KG has been working as a competent partner for the industry covering all aspects of water management and with its numerous projects has become the leading company within its sector.

Its customers include businesses such as BASF Coatings, SAXONIA EuroCoin, Pilkington Automotive and Lorenz Snack-World. Its range of services covers the building and operation of all types of plants used within water resources management – to refine water, to treat wastewater and to process circulating water. *(enslein)*

■ The machinery used to produce demineralised water is being operated by REMONDIS





■ Dr Lars Meierling is a member of the management at REMONDIS Aqua

GETTING DOWN TO THE DETAILS

REMONDIS aktuell spoke to Dr Lars Meierling about the project

REMONDIS aktuell: Your company not only has extensive know-how but also more than 25 years' experience of the branch – were there any further good arguments for MAN?

Dr Lars Meierling: We also have the necessary financial means! We not only take some of the load off our customers when it comes to complex technological tasks but also with the investments involved.

REMONDIS aktuell: Does the subject of ecology still play an important role today?

Dr Lars Meierling: Most definitely – particularly as ecological advantages are often linked to economical advantages. If, as we do, water

is not only cleaned but fed back into the cycle, then this is not only in the interests of society and the environment but also reduces the costs considerably.

REMONDIS aktuell: What do you believe will be the developments over the next few years?

Dr Lars Meierling: Leading market research institutes predict growth in the area of industrial contracting – and this is our opinion, too. We are currently holding highly interesting discussions about new projects. Projects, by the way, that all have one thing in common: namely that they do not have anything in common and that each project requires a highly individual solution.

REMONDIS aktuell: Thank you very much.

“We chose REMONDIS because their overall concept was the right one for us. And because we were looking for a partner who is able to react to future challenges in a fast, reliable and flexible manner.” Jens Schelp, MAN Nutzfahrzeuge

Investment and project management

Since March 2005, REMONDIS Aqua has been optimizing the investment of the City of Heringen in Hessen in its drainage building work and is managing the work to gradually replace all of the pipes. They have been literally eaten away at by the ground water which contains a very high level of salt. In connection with this project, the company has drawn up the basis for levying separate charges for wastewater and rainwater as well as the statutes involved in this. *(ruscheweyh)*

Gemünden sewage treatment plant



Over the next few months, a high quality, modern and good value sewage treatment plant shall be set up in Gemünden am Main. REMONDIS Aqua provided the economic concept for this plant.

(ruscheweyh)

Geographic information system

REMONDIS Aqua Services has installed a web-based geographic information system (GIS) for the municipality of Ladbergen. The system shall help to reduce the daily workload of the town planners and administration workers. *(ronge-leiding)*

Municipal financial management

The City of Drensteinfurt is introducing a central financial management system into its city. This means that all details of all assets must be recorded – for example, roads, sewers and buildings. REMONDIS Aqua Services shall be supporting the City by providing professional data management solutions and the geographic information system, GIS. *(ronge-leiding)*





Plastics recycling

Plastics are everywhere. Recycled plastics are, too

RECYCLING QUOTA STEADILY INCREASING

Life as we know it today cannot exist without plastics. Innumerable forms and combinations of polymers can be found in practically all technical as well as everyday equipment. Today, a large percentage of the raw materials used to make this equipment is recycled material: in Germany, for example, the recycling quota has risen considerably over the last few years. At the moment it is lying at over 58 percent – and it is still going up. →

“The importance of global trade for the circular-flow economy continues to increase. REMONDIS has succeeded in fulfilling one of the basic requirements by receiving an official import licence for China.” William Kuo, managing director, REMONDIS in Taiwan



cycling methods and product development over the last few decades. REMONDIS sells PE, PP and PET granulates under the registered trade names PLANOLEN®, PLANOMID® and PLANOPET®, the quality of which is equal in every way to comparable products made from primary raw materials. A large part of the granulates marketed by REMONDIS are manufactured according to the individual specifications of its customers both in terms of function and colour. An example of development in new areas of use is the use of plastics as an additive in asphalt.

→ A MARKET WITH A FUTURE

Residual materials are potential sources of raw materials which can both supplement and take the strain off the market for primary raw materials. For REMONDIS, therefore, priority is being given to achieving 100 percent marketability for the raw materials which it produces. The reason for this is because products that do not fulfil market demands do not have a chance in the long run. Such as with the first well-known recycled product – a park bench which appeared on the market at the beginning of the 90s made out of a greyish brown plastic material which did not live up to aesthetic demands and changed shape when it became too hot. REMONDIS has invested a large amount of money in re-

HIGH QUALITY RECYCLED PLASTICS FOR USE IN FOOD PACKAGING

Over the last few years, extensive testing has been carried out on the use of the plastics in the production of PET bottles, the so-called bottle-to-bottle process. In its report issued in April this year, the Fraunhofer Institut für Verfahrenstechnik und Verpackung (IVV) confirmed that the PET granulates produced at the REMONDIS plastics recycling plant in Arnheim are suitable for use in food packaging. Together with the licence which is expected to be issued by the American Food and Drug Administration, REMONDIS can add the growing PET bottle market to its product portfolio and so continue to extend its market position.

PRODUCTION IN GERMANY, THE NETHERLANDS AND TAIWAN

REMONDIS has five production sites around the world producing more than 60,000 tonnes of granulates each year. The company supplies customers in more than 35 countries around the globe. The rapid development of the REMONDIS activities in Shanghai has shown that the intelligent marketing of raw materials and products is a future-oriented business. The business shall, therefore, continue to expand in the future – especially in the area of trade

Besides marketing high quality granulates and plastic compounds, REMONDIS also sells film, ground material and mixed plastics. Furthermore, mixed plastics are processed into agglomerates which are increasingly being used to manufacture products such as pallets or in energetic recovery. (kellermann)

REMONDIS PLANO – PLASTICS RECYCLING AT FIVE LOCATIONS

Location	Plastics	Examples	Capacity
Arnheim, NL	PET	bottles	20,000 t/a
Lünen, D	HDPE	canisters, barrels, bottles, pipes, containers	2,000 t/a
	PP	buckets, pipes	2,000 t/a
	PE/PP mix	buckets, canisters	4,000 t/a
	PA	production scrap, moulded parts	2,500 t/a
Lauingen, D	LDPE	film	20,000 t/a
	HDPE	bottles, canisters, barrels	7,000 t/a
	PP	buckets, cups	7,000 t/a
Genthin, D	mixed plastics	dual system mixed plastics	40,000 t/a
Nan Tou, Taiwan	PET	bottles	12,000 t/a
	HDPE	bottles	8,000 t/a
TRADE	PET trade	bottles	
	LDPE trade	industrial film, shrink hoods	
	HDPE trade	ground material, canisters, barrels	
	PP trade	nappy film, production waste, ground material	
	Mixed plastics trade	hard plastic, production waste, sorting residue	



■ REMONDIS has been active in Taiwan for over ten years

Network

Expansion in Hungary

BUILDING OF NEW CIRCULAR-FLOW ECONOMY CENTRE COMPLETED

Szolnok is situated approximately 100 kilometres south-east of Budapest at the heart of the Hungarian low-land plains where roads, railroads and waterways all meet and intersect – at the point where the rivers Theiß and Zagyva merge. The production of agricultural machinery, the food industry and the chemical and paper industries are all of great importance to the economy of this region. Other areas playing a role in the economic life of this city include tobacco fermentation, the textile industry and transport.

Suitable, up-to-date recycling and waste disposal facilities are always in demand in areas where the economy is doing well. For this reason, the Region of Szolnok put out a tender for the construction of a new circular-flow economy centre and, at the end of the procedure, awarded the contract to REMONDIS. A total of 10 million euros has been invested in this project. The contracts cover the running of a central

landfill and a composting plant in Kétpó as well as a handling depot and sorting plant in Szolnok.

The handling depot and sorting plant were put into operation in June 2005; the landfill and composting plant were completed in October. REMONDIS is also responsible for the logistics services. A Public Private Partnership – REMONDIS Kétpó Kft. – has been founded between REMONDIS and the 24 districts concerned to run the landfill. This company shall guarantee the safe disposal of waste for the more than 220,000 inhabitants of the region over the next 20 years. If needed, it can also cater for tens of thousands more.



■ Opening ceremony in Szolnok

Norbert Rethmann, who travelled to Hungary to take part in the opening ceremony, officially opened this new circular-flow economy centre together with the Hungarian Minister of the Environment, Dr Miklós Persányi, and the mayor of Szolnok, Mrs Lajosné Botka. *(csocsán)*



A FORERUNNER IN THE SEPARATE COLLECTION OF RECYCLABLE WASTE

Entering the market in Hungary for the first time in 1995, REMONDIS was the first company in the country to introduce the separate collection of recyclable waste only one year later. To begin with, this only involved waste glass and paper but, since 2002, waste plastics have also been collected separately and processed. Continuing in its consistent manner, the next step shall be carried out in 2006 when REMONDIS is to introduce the separate collection of recyclable waste from private households in Szolnok, the first large Hungarian city to provide such a service.



“The new circular-flow economy centre is a pilot project for our future expansion plans in Hungary. The PPP model underlines once again the advantages of municipalities and private businesses working together.” Norbert Rethmann



■ The Nentzelsrode mechanical processing plant was the first of its kind to be completed on time in the Free State of Thüringen since the Technical Guidelines for the treatment and disposal of municipal waste (TASi) came into force

Nentzelsrode mechanical processing plant put into operation

The Nentzelsrode mechanical processing plant was officially put into operation on 14 November. REMONDIS has invested around 14 million euros in the project and is also the operator of the plant. Each year, it shall treat around 120,000 tonnes of household and commercial waste which, for the most part, shall come from the North Thuringian Zweckverband Abfallwirtschaft association. The association is responsible for a number of regions including the districts of Eichsfeld, Kyffhäuser, Nordhausen and Unstrut-Hainich. (hotopp)

Generating energy

Energy for millions

REMONDIS INCREASES ITS COMMITMENT ON THE ENERGY MARKET

REMONDIS shall be building a thermal waste treatment plant at its Staßfurt site in Saxony-Anhalt. Plans are for the plant, which shall have a capacity of more than 300,000 tonnes per year, to be put into operation at the beginning of 2008 at the very latest. Through this plant, REMONDIS, shall create 50 new jobs immediately with a further 50 to 60 to follow at a later date. The project shall involve investment sums of around 150 million euros.

“Together with REMONDIS, we shall be creating new jobs.”

Ulrich Eichhorn, managing director of the Staßfurt soda works

The energy generated is to be sold to the neighbouring Staßfurt soda works which shall then be in a position to be able to extend its production capacity. New jobs shall be created at these facilities, too. For more than 120 years now, the Staßfurt soda works has been using the local supplies of rock salt and limestone to produce, above all, heavy and fine soda ash for the glass industry, the production of washing powder as well as for the chemical industry. There are sufficient supplies of raw materials for at least another 50 years. “With this new plant, we shall be filling one of the last capacity gaps in the area of thermal waste treatment,” explained Dr Jörg von Smuda, the manager responsible for this project at REMONDIS. REMONDIS shall, therefore, be guaranteeing a reliable waste disposal service for the industrial, commercial and municipal customers in this region. *(hotopp)*

GETTING DOWN TO THE DETAILS

REMONDIS aktuell spoke to Ulrich Eichhorn, managing director of the Staßfurt soda works, about the work planned between the two companies

REMONDIS aktuell: What is the significance of this new thermal waste treatment plant for your company?

Mr Eichhorn: The energy provided by REMONDIS shall be an important supplementary supply to that already being supplied by the industrial GuD (gas/steam) power plant. We urgently need the additional process steam so that we can carry out the planned extension of our production capacity at our site and so stabilize the overall situation.

REMONDIS aktuell: What investments will be triggered off at the soda works by this new power plant?

Mr Eichhorn: Well, now that the decision has been made to build the thermal waste treatment plant, we shall be investing an extensive sum of money to increase the capacity of the soda works considerably.

REMONDIS aktuell: Will the new plant influence the stability of your energy supply?

Mr Eichhorn: Most definitely – and for two reasons: we will not only profit from having an increased stable supply of energy but also from having sustainable prices.



■ A model of the new REMONDIS plant in Staßfurt



Approval given from leading manufacturers of commercial vehicles

Around 2,800 REMONDIS and SARIA vehicles are already being run on biodiesel which is sold under the brand name, ecoMotion. Having carried out intensive analyses, the leading manufacturers of commercial vehicles, DaimlerChrysler AG and MAN Nutzfahrzeuge AG, have approved the use of the fuel in their vehicles.

Generating energy

Diesel made from fats and vegetable oils

REMONDIS CONTINUES TO CONVERT TO BODIESEL

The REMONDIS Group branches are continuing the process of switching the fuel used by their branch vehicles to biodiesel. This ecological fuel is produced within the Group by the sister company, SARIA Bio-Industries.

Limited crude oil reserves, dependency on crude oil imports and the price increases on the fuel markets were the main reasons which prompted SARIA's decision to become active within the area of biodiesel production. In 2001, SARIA was the first company in Europe to set up and operate a plant to produce biodiesel made from fats. The plant which is situated in Malchin has a capacity of 12,000 tonnes per year.

INVESTING IN NEW PLANTS IN STERNBERG AND LÜNEN

The demand for ecoMotion is steadily rising – and not just within the company itself. Forwarding agents and agricultural businesses are also very interested in the product. For this reason, SARIA is currently building two new production plants. The plant in Sternberg (Mecklenburg-Vorpommern) will have a capacity of 100,000 tonnes a year and shall be producing biodiesel from vegetable oils from May 2006 onwards. The second plant – also with a capacity of 100,000 tonnes a year – is to be built in Lünen (North Rhine-Westphalia) and is planned to be a so-called multi-feedstock plant. This means that biodiesel can be produced alternatively from either fats or vegetable oils.

ADVANTAGES FOR THE ENVIRONMENT

Substituting diesel made from fossil fuels with biodiesel has several advantages: as well as conserving natural resources of non-renewable energy forms, using biodiesel also contributes considerably towards reducing carbon dioxide (CO₂) emissions.

And, compared with the use of natural gas as a fuel, biodiesel scores points again as commercial vehicles run on biodiesel are considerably cheaper than those run on gas and have a higher storage capacity available. *(andreas/enslein)*



■ Since 2001, more than 80 company petrol stations belonging to German REMONDIS and SARIA branches have been fitted out to supply biodiesel. The company continues to push forward its aim of having the fuel used in its vehicles throughout the country

■ State-of-the-art technology is used at the company's own biodiesel production plants



System services

Office waste recycling and disposal system for Allianz Deutschland

The Allianz Group is one of the world's leading insurance and finance service providers with 170,000 employees working in more than 70 countries across the globe. In June 2005, the company signed a framework agreement with REMONDIS DATA Office concerning a waste disposal and recycling system for their offices throughout the country. Being a systems provider, REMONDIS has not only taken over tasks such as destroying highly sensitive data and files. As part of a full-service concept, this specialist business also coordinates the collection and recycling of other waste fractions such as cardboard, waste glass, wood, plastics and leftover food. The range of services is rounded off with additional services such as drawing up statistics on the amount of waste produced free of charge for the company's records and unit billing to keep the costs as transparent as possible. *(brauner)*

News in brief

Infrastructure services for the HypoVereinsbank

With a total of more than 58,000 employees around the world, the HypoVereinsbank Group is the second-largest bank in Germany. Since 01 November, REMONDIS DATA Office has been carrying out quality assurance work for the cleaning services at the Group's 27 branches in and around Munich covering a total surface area of 260,000m². To achieve this, REMONDIS is using an innovative internet-based solution.

(brauner)

Award for military operations

As part of the environmental conference held at Camp Bondsteel, Kosovo, REMONDIS was presented with an award in recognition of its ability to provide its services in military crisis areas despite the difficult conditions. For over four years now, REMONDIS Industrie Service, military division, has been disposing of the waste accumulating from maintenance work carried out on vehicles, equipment and facilities belonging to the US peace corps stationed in the Balkans. *(albrecht)*

Road clear-up after tanker accident

During the night of 24/25 August, a tanker lorry skidded out of control and overturned on the A44 motorway near the City of Breuna. Approx. 23,000 litres of heating oil poured out of the vehicle's damaged tanks into the motorway's drainage system. A large amount of the spilled oil found its way onto a nearby country road where it caused a 600-metre spill. The clean-up operation was carried out by REMONDIS Pro Terra – more than 3,000 tonnes of earth had to be removed and replaced. *(metzler)*



Packaging and product recycling

DaimlerChrysler signs “MeRSy” agreement with REMONDIS

REMONDIS remains DaimlerChrysler’s contractual partner for its “MeRSy” project. Within the framework of this recycling management system, DaimlerChrysler – together with the operator of the system – runs a Europe-wide take-back and disposal and recycling system for used parts, packaging materials and liquids from its workshop areas. *(hollmann)*



All round service at the World Youth Day

REMONDIS was omnipresent at the World Youth Day in Cologne and supplied 5,000m³ of Reterra® bark mulch for the pilgrims’ routes around the Marienfeld as well as 16,000 tonnes of sand to protect the properties. But REMONDIS was also active in its core area of waste disposal and recycling placing 700 bins around the Marienfeld, at food outlets, car parks, bus stops and along the pilgrims’ routes within a radius of 25 kilometres. A mention must also be given to the 900 mobile WCs which were set up. *(kellermann)*

Top quality environmental protection

On 07 November, REMONDIS Sanitech Posen once again received the certificate for top quality environmental protection work from the entrepreneurs in the Greater Poland region. Only those companies which expect their products and services to be of the best possible quality and so work according to the Total Quality Management System (TQM) are allowed to take part in the competition. *(pływaczyk)*



■ REMONDIS has launched a new system for the separate collection of recyclable waste in Sydney and the surrounding region

Australia

Sorting of recyclable materials begins in Kingsgrove

REMONDIS IS PLANNING TO EXTEND ITS MARKETING ACTIVITIES IN ASIA

“Our sales offensive in Sydney has begun very well indeed.”

Peter Maré, project leader at REMONDIS in Australia

In September, REMONDIS opened a new sorting plant for paper and cardboard, metal, plastics and other recyclable materials in the Australian City of Kingsgrove. Most of the recyclable materials come from office complexes in the state’s capital city and surrounding areas.

There is currently no national system for the separate collection of recyclable materials in Australia – neither from private households nor from industrial and commercial businesses. The result is that each year tonnes of recyclable materials are dumped in landfills. For many years now,

REMONDIS has been trying to push forward its philosophy of a circular-flow economy but, at the moment, the people of Australia are not as environmentally aware as their counterparts in Europe. And this, despite the fact that the conditions there are ideal: being so close to the Asian markets, there is a great marketing potential for all kinds of recycled materials.

REMONDIS has been active in Australia since 1982 and has branches in the cities of Sydney, Melbourne and Port Macquarie. *(enstein)*

The centre for the industrial circular-flow economy

MORE THAN 200 MILLION EUROS INVESTED SINCE 1993

JOBS FOR 1,200 PEOPLE



■ The REMONDIS Lippe Plant in Lünen is Europe’s largest centre for the industrial circular-flow economy

The great variety and the great number of activities carried out at REMONDIS’ site in Lünen means that it has become the largest centre for the industrial circular-flow economy in Europe. Since taking over the plant from the Vereinigte Aluminiumwerke AG in 1993, the company has been investing continuously in expanding the site.

Thanks to the rapid development of the site, a large number of new jobs have been able to be created. At the time of the takeover, there were 476 employees working at the plant. In 2006, a total of 1,200 people shall be employed at the Lünen site. It was not without reason, therefore, that Dr Alexander Schink, undersecretary at the Ministry of the Environment, Agriculture and Consumer Protection in the state of North Rhine-Westphalia, stressed the fact that “REMONDIS is a model company within the circular-flow economy” when he visited the site to join in the official opening ceremony of the new Betriebshof (depot) and the new administration building of the Wirtschaftsbetriebe Lünen as well as the laying of the foundation stone for the most modern dismantling centre in Europe.

The site’s diverse activities are bundled together under the umbrella organization, REMONDIS Production GmbH. The managing directors, Hans-Joachim Andres, Stefan Jonic,

Silvio Löderbusch and Kai Orschel, are looking to continue the expansion work in the future, too, “Our targets are to create new jobs in Lünen and, above all, to guarantee the future of the site. Future investments have been planned.” *(enslein)*

AN OVERVIEW OF THE ACTIVITIES AT THE LÜNEN SITE

Twelve years after the REMONDIS takeover, the site has not only become Europe’s largest centre for the industrial circular-flow economy because of its size (230 hectares) but, above all, because of the great variety of activities carried out there.

- REMONDIS’ main administration offices
- UCL – environmental analytical laboratories
- Rendering plant
- Power plant
- Plastics processing plant
- Earthworks
- Composting plant
- Plant landfill
- Construction waste processing plant
- Metal slag processing
- Waste-derived fuel plant
- Timber recycling
- Chemicals production
- Gypsum processing
- Production of a white pigment
- Biomass-fired power plant (under construction)
- WEEE dismantling centre (under construction)
- Biodiesel petrol station
- Biodiesel production (under construction)

“This site has been one of the greatest challenges we have had to face. And 200 million is a huge amount of money to invest. This sum shall have increased to over 270 million by the end of 2006. We simply did it and will shall continue to do it.”

Norbert Rethmann

NEW INVESTMENTS AT THE LÜNEN SITE

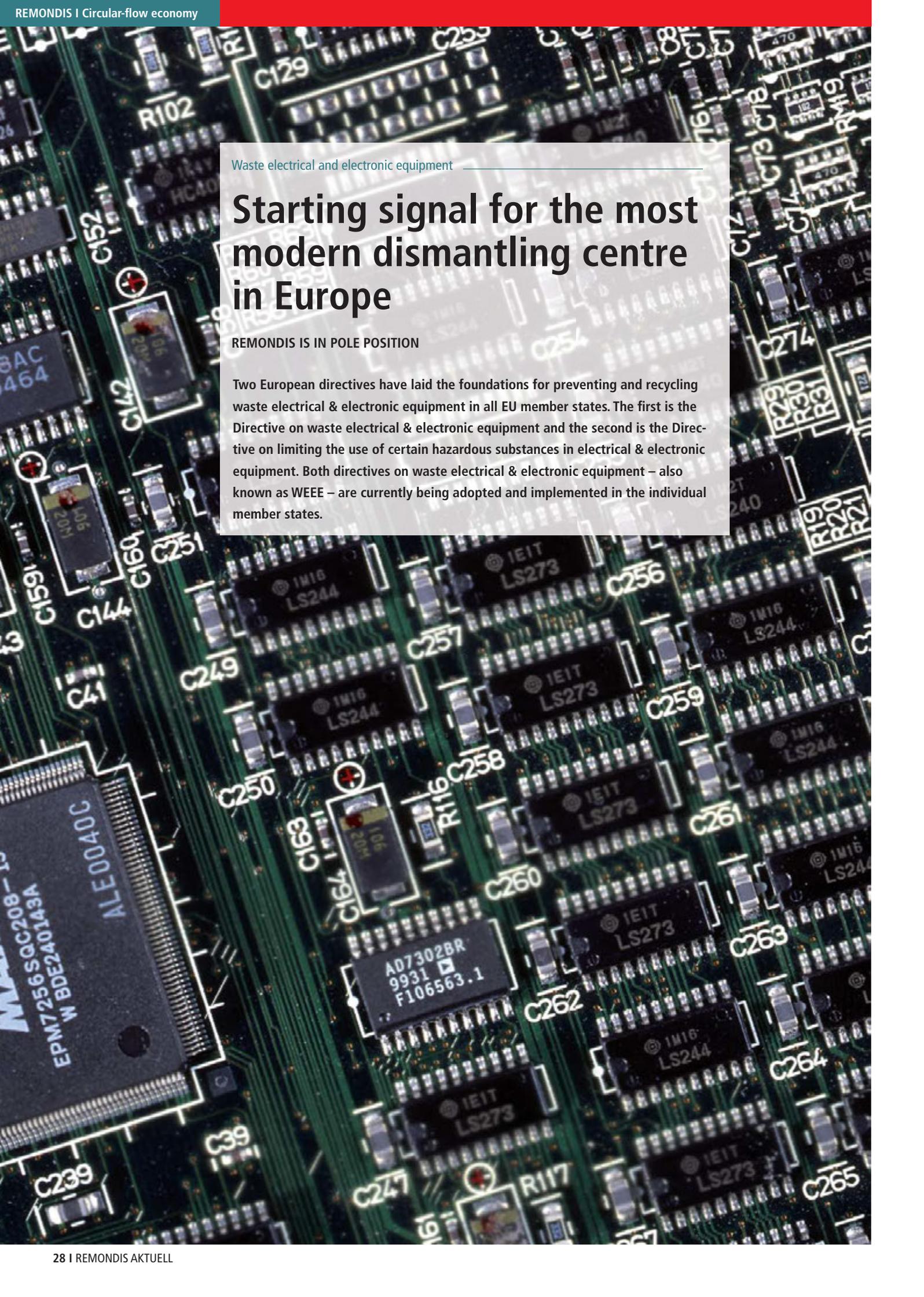
Project	Investment sum	Employees
Dismantling centre	approx. 17m euros	110
Biomass-fired power plant	approx. 60m euros	35
Biodiesel production	approx. 20m euros	20

Waste electrical and electronic equipment

Starting signal for the most modern dismantling centre in Europe

REMONDIS IS IN POLE POSITION

Two European directives have laid the foundations for preventing and recycling waste electrical & electronic equipment in all EU member states. The first is the Directive on waste electrical & electronic equipment and the second is the Directive on limiting the use of certain hazardous substances in electrical & electronic equipment. Both directives on waste electrical & electronic equipment – also known as WEEE – are currently being adopted and implemented in the individual member states.





“We have very high expectations for the quality of recycling and so of our partners within the circular-flow economy, too. REMONDIS has been given top marks in all areas!”

Dr Peter Böhm, head of the WEEE take-back and recycling division at BSH Bosch und Siemens Hausgeräte

REMONDIS has carried out extensive preparation work in order to be able to implement the European directives and now operates the most up-to-date processing plants and dismantling plants in Europe for refrigerators, TV monitors and picture tubes. The company has invested considerable amounts of money and is now in a position to be able to provide comprehensive, Europe-wide service packages – from the logistics and processing to the recycling of the recovered raw materials.

FOUNDATION STONE LAID FOR THE MOST MODERN DISMANTLING CENTRE

On 14 November, the foundation stone was laid in Lünen for Europe’s most modern dismantling centre. By investing 17 million euros, REMONDIS is building a new processing plant for small pieces of electrical equipment such as vacuum cleaners, drills and toasters as well as a dismantling centre for all kinds of large WEEE.

The new dismantling centre, with its 110 employees, is due to start operations by 24 March 2006 – just in time for the start of the new ElektroG law in Germany. To begin with, the centre shall have a capacity of approx. 35,000 tonnes a year but this amount shall be able to be doubled at any time.

“By building this new dismantling centre, we are anticipating the high expectations of our business partners so that together we shall be able to fulfil the new laws.” Egbert Tölle, REMONDIS Board

REMONDIS AS A PARTNER FOR THE INDUSTRY

Many companies have prepared themselves in advance of the different countries adopting the European directives and have already chosen REMONDIS to be their partner – such firms include Hitachi Europe, Fujitsu Siemens Computers, BSH Bosch und Siemens Hausgeräte, Miele & Cie, Philips and Gericom.

REMONDIS HEADING FOR THE WHOLE OF EUROPE

Many European countries are still preparing themselves to adopt the WEEE Directive and in these countries, therefore, it is still unclear as to when the exact starting date will be and what the exact contents shall be. There will definitely not be uniform systems throughout Europe. Despite this fact, REMONDIS is already active or ready to begin in many countries, even in those countries where there are still no concrete regulations.



■ REMONDIS is increasing the amount it invests in dismantling lines for IT equipment, consumer electronics and small pieces of electronic equipment as well as in processing plants for refrigerators, monitors and picture tubes

Keeping its finger on the pulse of the industry

THE BUCHEN GROUP – PARTNERS FOR COMPLEX SERVICE AND CLEANING WORK SINCE 1957



■ BUCHEN provides a comprehensive service package for industrial plants and power plants ranging from cleaning services to operating the plants themselves

REMONDIS is active in the area of industrial services, waste disposal and recycling and clean-up work through its BUCHEN Group. The BUCHEN Group employs 1,800 people.

The company, which was founded in 1844, started providing industrial cleaning services in 1957 in response to a decision made at that time by Richard Buchen. Since then it has been working wherever refineries, chemical businesses and heavy industry can be found. BUCHEN gives priority to being close to its customers throughout Europe and to specialising in its customers' wishes. No matter whether the work involves handling catalysts, draining sludge, providing services for power plants, tanks or nuclear plants, a company or specialist department has been set up for each

BUCHEN GROUP

A variety of specialist companies are active in their different fields with all companies being run under the umbrella organization BUCHEN UmweltService GmbH which has its head office in Cologne. Such specialist businesses include:

- BUCHEN-ICS Industrial-Catalyst-Service GmbH
- BUCHEN KraftwerkService GmbH
- FILTRATEC Mobile Schlammentwässerung GmbH

specific area with the staff having excellent knowledge of their area of expertise.

As large amounts of sensitive waste are produced in practically all the areas that BUCHEN works in – with the disposal process of such waste requiring special monitoring – the disposal of hazardous waste is the second integral part of BUCHEN's range of services. Its third main area of business is providing clean-up work, removing hazardous waste from old sites and dismantling old industrial plants.

(röttgen)

“The BUCHEN Group complements REMONDIS' range of services extremely well. Its previous company structure shall be maintained and steps shall continue to be taken to expand the business internationally .”

Thomas Breitkopf, REMONDIS Board

Ready for Take-off

RENEWING THE RUNWAYS AT FRANKFURT AIRPORT



Frankfurt am Main, the city's airport: 1,300 planes taking off and landing per day, 460,000 a year. It is night time and it is darker than dark – except for a section of the northern runway which is lit up as brightly as if it were in the middle of the day. REMEX is in the process of removing 1,200 tonnes of concrete rubble on behalf of the company, Kirchhoff Straßenbau. A job it must complete within only two hours from 11.00 p.m. to 1.00 a.m.. Every night. Over a period of around 300 nights.

The northern and southern runways, which lie parallel to one another, are made of concrete and both are 4,000 metres in length. Damaged due to the heavy loads they have to withstand, they now need to be renewed and resurfaced. The work on the northern runway has already been completed – carried out over a period of 300 nights from March 2003 to May 2005. The work on the southern runway began in October 2005 and is expected

to finish in November 2007. It is also being carried out at night and in the same short period of between 10.30 p.m. and 4.00 a.m.. During these 5 ½ hours, 1,000m² of concrete must be broken up and removed each time, new recycled construction materials must be laid down and the whole area resurfaced with asphalt. It has to be done so quickly because planes start landing and taking off again at 6.00 a.m.. A total of 1,300 each day.

REMEX IS PREPARING ITSELF FOR FURTHER CONSTRUCTION WORK

Frankfurt Airport regularly awards REMEX building contracts – as there is always something there that needs building work carried out on it: taxiways, car parks, approach roads and other buildings need to be renovated from time to time. In addition to this, there are other large-scale projects such as the new maintenance hangars for the Airbus A380 and the construction of the new Terminal 3 at the old US Air Force base. REMEX has been reacting to these measures and is setting up the required capacities at the site. *(diegel)*

REMEX – SOLUTIONS FOR THE INDUSTRY AND THE CONSTRUCTION INDUSTRY

REMEX, a company belonging to the REMONDIS Group, is one of the leading providers of comprehensive services covering all aspects of disposing of mineral residual waste and supplying recycled mineral construction materials.

■ Each night a 1,000m² stretch of the runway – 15 metres long, 60 metres wide and a depth of up to 60 centimetres – is dug out and renewed. REMEX and Kirchhoff's tasks are to remove the concrete rubble, to lay down the recycled material as well as to remove and replace the whole of the infrastructure such as lighting, cables and pipes

Facts & Figures

- **Disposal work:**
approx. 1,200t of concrete rubble each night (around 80 trucks)
- **Supplies:**
approx. 200t of recycled construction materials each night (around 15 trucks)
- **Service:**
removal and replacement of the whole of the infrastructure by Kirchhoff



People

Secure jobs

AN INTERVIEW WITH WOLFGANG STEINBERG, CHAIRMAN OF THE GROUP'S WORKS COMMITTEE

Changes are taking place on the market. Changes are taking place in the company. Greater demands from customers, the globalisation of the markets and ever-changing framework conditions mean that REMONDIS and its employees are faced with great challenges. In an interview with REMONDIS aktuell, Wolfgang Steinberg gave his opinion on the current developments and the future for the employees at REMONDIS.

REMONDIS aktuell: Mr Steinberg, you have been working in the company since 1972. What were the greatest challenges you have had to face during this time?

Mr Steinberg: Much strength was required at the beginning of the 90s after the reunification of Germany when REMONDIS expanded into eastern Germany. On the one hand, the new businesses had to be integrated into the Group but the greatest challenge was bringing the people from the west and the east together. Another great challenge was the foundation of the Group's works committee in 1994. This change did not take place completely smoothly. However, the most turbulent time of my career so far is taking place at the moment since the takeover of the RWE Umwelt businesses in February 2005.

REMONDIS aktuell: In what way?

Mr Steinberg: The integration of such large organizations also means that the people involved must move in the same direction. Employees who have been competitors on the market for years must work together in the same company overnight. Most people think such a process is much easier than it actually is. Our task is to create an atmosphere in which the employees can work sensibly. By that I mean that the employees are able to concentrate completely on our customers' wishes and demands. We need our customers to safeguard our future.

REMONDIS aktuell: Pay negotiations are due to be held next year. More and more private companies working within the branch are rejecting the collective wage agreement put forward by the Bundesverband der Deutschen Entsorgungswirtschaft (BDE) and are paying way below the standard pay scale to be able to keep up with pricing pressure. What do you think about this development?

Mr Steinberg: It is a dramatic development. I believe, too, that it is irresponsible. Most of the employees working in our branch are specialists and their work cannot be compared with that, for example, of the people working in short haul transportation. This fact must be reflected in their pay, too. Besides this, this development results in distorted competition.

REMONDIS aktuell: Prices are, therefore, continuing to spiral downwards and pressure on the company is increas-

"I hope that the company shall continue to treat its employees fairly"



"REMONDIS must not only stand up to the competition but must also continue to push forward its expansion. This is only possible if all employees work towards the same goal and show a high level of flexibility."

Wolfgang Steinberg, chairman of the Group's works committee



Corporate development at REMONDIS demands a high level of commitment from its employees

ing to reduce its costs. A development that is almost impossible to stop – or is this not the case?

Mr Steinberg: It is certainly a critical situation. Despite this fact, the collective wage agreement expires in 2006 and must be renegotiated. This development means, of course, that the background conditions for an adequate pay rise are not particularly good. I would like, therefore, to appeal here to the management to not only be influenced by the market conditions but also to fulfil its social responsibilities.

REMONDIS aktuell: A cold wind is also blowing from another direction. Municipalities, which have been customers and partners in the past, are gradually becoming competitors. What do you think of this new trend?

Mr Steinberg: I very much regret this trend, especially regarding our employees. Due to our company structure, it is rarely the case that the company is able to continue to employ the people involved when contracts with the municipalities are lost. As is so often the case, the employees suffer as a result of such developments and, I believe, this shall push up the unemployment rate even more in Germany.

REMONDIS aktuell: Will all these developments lead to jobs being cut at REMONDIS in the long term?

Mr Steinberg: The loss of contracts, the withdrawal from certain business sectors, relocations and synergies resulting from company acquisitions mean that a certain number of job cuts are inevitable in our company. But, compared with other firms, the job cuts at REMONDIS are tenable as we are continuously creating new jobs in other sectors due to company growth – for example in building new plants such as the dismantling centre, the biomass-fired power plant or the biodiesel production plant.

REMONDIS aktuell: How secure are the jobs at REMONDIS then?

Mr Steinberg: Nowadays, there is no such thing as a guaranteed job. This is a development which is regrettable but it is important to remain realistic. However, during the

Short profile

Wolfgang Steinberg was born in Dortmund on 27 February 1950. He is married and has two children. After training to become a management assistant in the wholesale trade, he began his career at REMONDIS (at that time: RETHMANN) in March 1972. The most important steps in his career so far have been:

- 1972: joined the ÖTV trade union
- 1975: elected chairman of the works committee at the Selm branch
- 1978: elected chairman of the central works committee for REMONDIS' Städtereinigung division
- 1979: became a member of the district board of the Hamm division of the ÖTV
- 1992: became a member of the regional board of the ÖTV NRW II as well as a member of the ÖTV/BDE pay committee
- 1994: elected chairman of the Group's works committee at RETHMANN AG & Co.
- since 01.07.2001 (creation of ver.di) member of the national council for supply and disposal and spokesman here for public and private circular-flow businesses

30 years I have worked at this company, I have only ever experienced positive upward trends. At REMONDIS, the money made is reinvested into the business – the company has never sat back and relaxed because it has been successful. And this helps to keep the jobs secure.

REMONDIS aktuell: The subject of training employees is a very important one here at REMONDIS. Statistics back this up as well as the great variety of training opportunities. As a result of the current economic situation, many companies are choosing not to take on their apprentices and trainees once their courses have finished. Are there good opportunities for young people at REMONDIS?

Mr Steinberg: Most definitely. At REMONDIS, all apprentices and trainees have the opportunity to prove their worth during their training period and to take over responsibility. Many of our apprentices and trainees are given the opportunity to remain with the company.

REMONDIS aktuell: And what hopes do you have for the future?

Mr Steinberg: I hope that the company shall continue to treat its employees fairly, as the employees are committed to their work and help to ensure that the company continues to grow both now and in the future. The employees are the company's most important asset.

REMONDIS aktuell: Thank you very much for the interview. *This interview was held by Daniela Enslein*

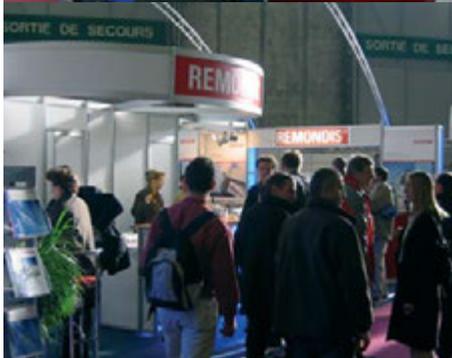
“At REMONDIS, the money made is reinvested into the business – the company has never sat back and relaxed because it has been successful. And this helps to keep the jobs secure.”



Meeting places

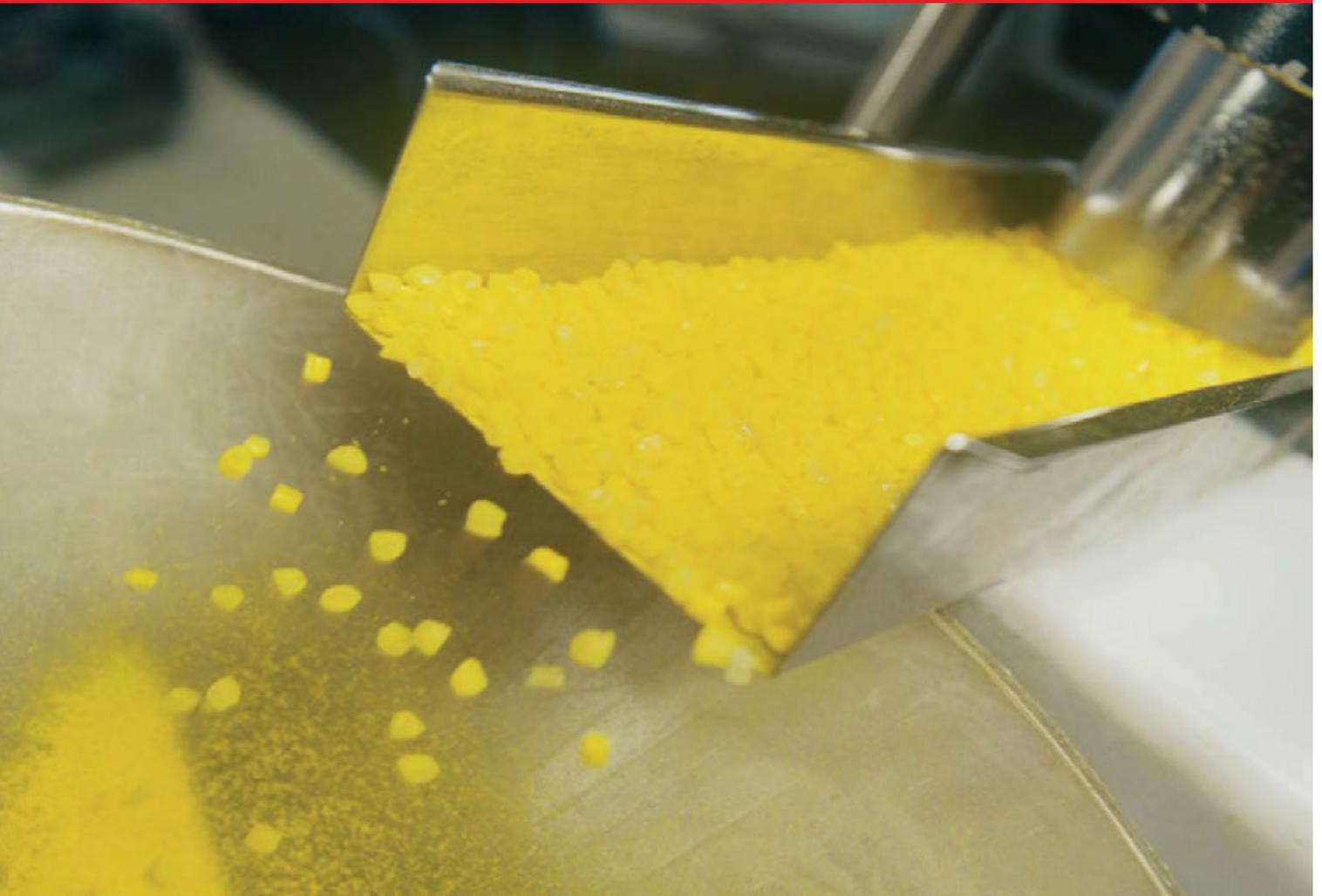
Going international

REMONDIS presented its company at a total of five international trade fairs between October and December 2005: at the FAKUMA, the International Trade Fair for Plastics Processing in Friedrichshafen; at Italy's leading environmental trade fair, ecomondo in Rimini; at the largest Eastern European environmental trade fair, POLEKO in Posen; at the BATIMAT, the International Building Exhibition in Paris as well as at the French Environmental Exhibition, POLLUTEC, which was also held in Paris. By taking part in these trade fairs, REMONDIS is underlining its international commitment and its desire to expand. All the trade fairs had a good number of visitors emphasizing, on the one hand, the growing importance of environmental protection in Europe and, on the other hand, the change within the branch to becoming suppliers of raw materials. REMONDIS was able to catch up with its existing business contacts as well as to meet new people and businesses. *(enslein)*



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PLASTICS PROCESSING



In times of diminishing natural resources, the only sensible thing to do is to ensure that valuable raw materials are fed back into the economic cycle. PLANO, the plastics specialist at REMONDIS, has more than 40 years of experience in plastics processing.

REMONDIS PLANO processes more than 100,000 tonnes of plastic each year to produce high quality products. We supply materials under the registered brand names, PLANOLEN®, PLANOMID® and PLANOPET®, which have a great variety of industrial uses – plastic granulates made from secondary raw materials which possess the same properties as those of new goods as well as

compounds made from primary raw materials. Our products are used by customers in over 35 countries.

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