



POSITION PAPER

THE EU PLEDGING CAMPAIGN FOR THE UPTAKE OF RECYCLED PLASTICS INTO PRODUCTS

1. REset Plastic – The Plastics Strategy of Schwarz Group (Kaufland and Lidl)

Kaufland is an international retail company and operates more than 1.270 stores in seven EU Member States with about 140.000 employees. Day-to-day Kaufland offers its customers a broad product range of fresh and non-perishable food products. In addition, Kaufland has a substantial non-food assortment which includes textiles and provides for daily needs.

Kaufland is part of the Schwarz Group together with the international discounter Lidl, production sites like the beverage producer Mitteldeutsche Erfrischungsgetränke GmbH & Co. KG (MEG) and the service provider for resource management GreenCycle.

We welcome the initiative of the European Commission to call for a more sustainable and reasonable handling of plastics.

Within the Schwarz Group we are taking responsibility for environmental protection and sustainability seriously. Our vision is "less plastics, closed loops". This is at the heart of the REset Plastic Strategy of the Schwarz Group, which was announced in spring 2018.

2. Kaufland's targets and commitments for a more sustainable usage of plastics

Besides previously agreed targets Kaufland has adopted additional goals and commitments within the REset Plastic Strategy in June 2018¹:

- By 2025, all plastic packaging of own brand products should be 100 percent recyclable.
- By 2025, plastic consumption from packaging of own-brand products is to be reduced by at least 20 percent.
We have already taken measures to reduce plastics for packaging. Our organic "K-Bio" bananas are no longer wrapped in plastic foil but labelled with a package band. In this way Kaufland is already able to save 32 tons of plastic packaging every year.
- By 2019, several single-use products made from plastics like Q-tips, straws and single-use plates and cutlery will be delisted. Those articles will be replaced by sustainable alternatives.
- Since 2013, own-brand beauty care products and cleaning agents do not contain solid micro-plastics particles².
- Consumer education should be intensified. Already for several years Kaufland has been offering its customers to leave foil, plastics, paper and cardboard packaging directly at the store. There are also collection terminals for batteries, light bulbs and

¹ [Press release on Kaufland's plastics strategy \(DE\)](#)

² [Kaufland guidelines on micro-plastics \(DE\)](#)

small electro device (even before the WEEE Directive). Kaufland wants to build on this and further enhance consumer awareness.

3. Kaufland Pledge

Kaufland explicitly welcomes the pledging campaign of the European Commission and would like to participate in the campaign on behalf of all Kaufland countries. The subject of our pledge is the recycled content of our "K-Classic" own-brand beverage bottles, which are produced at the Mitteldeutsche Erfrischungsgetränke GmbH & Co. KG (MEG) production facility for the distribution in our stores.

In 2017, 5.114 tons PET were used for the production of those bottles. Approx. 25 percent of these were made using recycled material. Kaufland commits to keep the percentage of recycled plastics in its own-brand beverage packaging stable by 2025 and to increase the recycled material as soon as possible.

4. Challenges we face when pledging for an increased uptake of recycled PET

Kaufland would have liked to commit to an increased percentage of recycled material. We are currently working on this goal and would like to inform the European Commission about the progress as soon as we have reliable figures.

At the moment, we are not able to estimate the amount of the future use of PET recyclate in our bottles. We are dependent on various market factors and closed loops. We are using recyclate made of PET bottles, which we obtain through take back systems. The availability of recycled PET in the sufficient quality and required quantities depends directly on the organization of national collection systems, return rates in the context of bottle deposit systems, and ultimately on customer behavior. Another unknown component is the development of sales of our own-brand beverages. The higher our sales, the more potential PET recyclate is available given that consumers return the empty bottles.

Kaufland and the whole Schwarz Group is aiming to make our vision a reality and is allocating resources and efforts to increase the use of recyclate in all possible fields.

5. Wish list

In our view there are several further actions the European Commission could take in order to facilitate a sustainable use of plastics. Therefore, we would appreciate and are looking forward to the following:

- A standardized, European-wide definition of recyclability. For international business operators it is important to find the same conditions in all EU Member States, i.e. for the distribution of goods and the licensing of packaging.
- A reasonable consideration of closed loops with regard to single-use products and packaging.
- The so-called EFSA clause, according to which only 5 percent of recycled material for PET packaging with food contact may originate from non-closed recycling streams, should be reconsidered. A raised threshold would help achieve the European Commission's goal to "strengthen recycling" and make it easier to increase the recycled content of food packaging.
- A holistic assessment of environmental impacts along the entire product lifecycle of single-use products (especially beverage packaging) before undertaking far-reaching market intervention (including design regulations, restrictions, product bans).

- A regular assessment of national collecting processes and the infrastructure for sorting and recycling in all EU Member States in order to insure their efficiency. Only efficiency oriented collection processes guarantee a high take back rate and enable European-wide establishment of recycling activities.
- An introduction of financial incentives for investment in sustainable products such as recycling capability, high recycled content.

6. Contact person

Should you have questions or remarks, please do not hesitate to contact Silvia Warth, Head of Brussels Office (E-mail: silvia.warth@kaufland.com; Tel.: 0032 27370373). We are looking forward to discussing any queries you may have.