

**Commissioner Vella meeting the retail company Schwarz Group**

<b>Day, place</b>	05/02/2019, Vella Cabinet meeting room
<b>Company</b>	Schwarz Group
<b>Briefing no</b>	Basis (CAB VELLA/999)
<b>Purpose of the discussion</b>	To present the Schwarz Group's efforts to reduce the environmental impact of their operations, in particular with regard to plastics and plastic packaging.
<b>Participants</b>	Mr Gerd CHRZANOWSKI, CEO of Schwarz Group [REDACTED] Pre Zero (the waste management company of Schwarz Group) [REDACTED] Plastics Strategy, Schwarz Group [REDACTED] Head of Brussels Office, Lidl Commissioner Karmenu Vella Sébastien Paquot, CAB Vella [REDACTED] DG ENV
<b>Discussion summary</b>	<p>Schwarz Group is a German retail group, currently the fourth-largest retailer in the world by revenue, which controls among others Lidl and Kaufland. The company is "more than a retailer" as it produces some of its own products and recently also bought the 5th largest waste management company in Germany, hence can practice closed loop recycling. The company also invests in waste management in China and Australia. The company is also active in research for circular solutions, product design, plans to support initiatives on the removal of plastic from the environment and is part of the New Plastics Economy Global Commitment of the Ellen McArthur foundation.</p> <p>Its success story is its own brand PET bottle (they produce 3.5 billion bottles/year), which is sold in their stores, collected in reverse vending machines in their stores and recycled in their own waste management site. Thanks to the high rates of collection, the current recycled content in the bottles is 55-60%.</p> <p>In terms of the legislative framework and its practical implementation, Schwarz Group considers setting minimum recycled content in legislation very useful and would welcome the roll-out of deposit schemes in more Member States than it is currently the case. They consider that the plastic tax is going to the wrong direction. According to Schwarz Group, the best incentive to recycle plastic would be giving value to plastic waste.</p> <p>The CEO offered the Commission to test some ideas in their closed loop system in the future. He also offered a visit to its PET production site in Aachen.</p>
<b>Docs shared (to be put in attachment)</b>	Company presentation
<b>Conclusions / follow up</b>	The Commissioner offered Schwarz Group to invite them to the next Circular Economy and possibly to the Vicious Circles missions, considering that they could tell a positive story about the first resistance regarding deposit schemes turned into an opportunity and business success.