Executive Summary

Under wraps?

What Europe's supermarkets aren't telling us about plastic

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Changing Markets FOUNDATION #breakfreefromplastic

The analysis in this report was done by the Changing Markets Foundation, as the lead organization within the Break Free from Plastic Movement. The report got input from Alianza Residuo Cero, ClientEarth, Environmental Investigation Agency, Gallifrey Foundation, GLOBAL 2000, Greenpeace Austria, Hnutí DUHA - Friends of the Earth Czech Republic, Let's Do It Foundation, No Plastic in My Sea, Plastic Change, Plastic Soup Foundation, Recycling Netwerk Benelux, Retorna, Sciaena, Sick of Plastic Ireland, Ways Out of the Plastic Crisis and Zero Waste Society Ukraine.

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Plastic pollution has been overwhelming ecosystems, affecting wildlife, exacerbating the climate crisis and interfering with our health. Barely a week passes without another horrific fact emerging about the devastating toll that plastic takes on the planet and its inhabitants. So far in 2022 alone, we have discovered microplastics deep in the lungs of living people, in the tissue of patients undergoing surgery and in people's blood. We learnt that the chemicals found in everyday plastics are eating away at human fertility such that they may make unassisted reproduction impossible by 2040. Despite the outrage, coordinated action and mounting pressure from across all sectors of society - from NGOs, legislators and consumers - the amount of plastic that the plastic industry is placing on the market is growing and on a 'business as usual' trajectory this is even projected to skyrocket.

European supermarkets are very important actors when it comes to plastic pollution but they have largely been let off the hook. With a €2.4 trillion turnover, this sector has the resources to act,[1] and public opinion polls consistently show that citizens firmly believe that retailers have a responsibility to address plastic pollution; however, this first-ever analysis of the role that European supermarkets play in addressing the plastic pollution crisis, shows disappointing results. It reveals that some of the biggest retail chains in Europe are only paying lip service to the problem, while behind the scenes they are trying to delay action and distract consumers and policymakers over their role in the plastic crisis.

Rather than implementing systemic changes and supporting the legislation required to address the problem, retailers have concentrated their efforts on voluntary commitments. Many of them are members of different national Plastic Pacts and some of them have signed the New Plastic Economy Global Commitment by the Ellen MacArthur Foundation (EMF). As such they are focusing on recyclability as their main strategy to deal with the plastic crisis instead of prioritising waste prevention and reuse systems, in line with the waste hierarchy. Only very few companies make serious efforts to reduce their plastic and other single-use packaging and move towards more environmentally friendly business models that prominently feature reuse systems.

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Main findings

For this report, a coalition of around 20 NGOs contacted 130 retailers across 13 European countries (between June and December 2021) with a questionnaire covering three categories: Transparency and performance; commitments; and support for government policy. Only 39 retailers (30%) provided a written response to the questionnaire and many failed to reply to all the questions asked. Therefore, we further investigated policies and public disclosure of relevant information through desktop research of 74 of the contacted European retailers, focusing on the ones with the highest turnover and with a presence in at least two European countries.

The total overall average score achieved by retailers across three categories was only 13.1 points (out of 100) or 13%. Only two companies exceeded 60%, forming the top of the table. These companies are Aldi in the UK with 65.3%, and Aldi in Ireland with 61%. The rest of the highest-scoring companies were significantly behind, with Lidl in the UK with 44.7%, Carrefour in France with 41.7% and the French organic supermarket BioCoop with 37% making up the top five. On the other end of the scale are the 14 companies that did not receive any points at all, including Cora (Belgium); BILLA and PENNY (REWE Group), Coop and Tesco (Czech Republic); Maxima, Prisma and Selver (Estonia); Leclerc (France); Musgrave and Dunnes Stores (Ireland); Intermarché (Portugal); Metro (Ukraine); and Carrefour (Spain).

Transparency and performance

In this section we evaluated the level of disclosure, such as plastic footprint for own-brand and branded products, and how retailers are performing regarding the share of reusable packaging and recycled content. The main findings are:

- The overall performance in this section was very poor with only 7.1% of the total points achieved on average, indicating overall low transparency and low levels of reuse and recycled content.
- The best-performing companies in this section were Marks & Spencer and Aldi in the UK, achieving more than 60% of the available points, with Aldi in Ireland and Lidl in the UK achieving over 50%.

- Of the companies evaluated, 82% did not provide the most basic information about their plastic footprint, which casts a shadow of a doubt over their quantitative commitments, where they exist, because they lack a baseline.
- The average for the 'packaging reusability' section was even worse with no company reaching more than 40% of the maximum points and an average of only 5.1%. The French organic supermarket BioCoop was the only company that provided detailed data for primary (consumer-facing) packaging reuse, saying that one-third (34%) of their products sold were in bulk, refillable or in reusable packaging.
- Only 13 companies provided figures on the overall recycled content of their own-branded products. With a reported recycled content average of more than one-third (38%), Aldi UK is the best-performing company for this indicator. Overall, 61 companies (82%) reported no recycled content in their packaging.

Commitments

In this section we evaluated what kind of commitments companies have with regards to the reduction of plastic packaging, the introduction of recycled content and their reuse and refill targets. The main findings are:

- The average performance in this section was 17.1% of the maximum available points, indicating low overall ambition to significantly reduce plastic packaging and increase reuse, refill and recycled content.
- Aldi UK and Aldi Ireland were the only companies reaching more than 60% of the scores, with French companies BioCoop and Carrefour in third and fourth place, respectively with just over 50% of the maximum points. Of note is that Marks & Spencer in the UK, which scored the highest in the 'transparency and performance' section, is not in the top ten for its commitments.
- On average, retailers scored 32.3% of the available points in the recycled content commitment category and only 21.5% for commitments to reduce plastic packaging. Pledges to increase packaging that is refillable or reusable scored an abysmal 3.3% average of the available points.

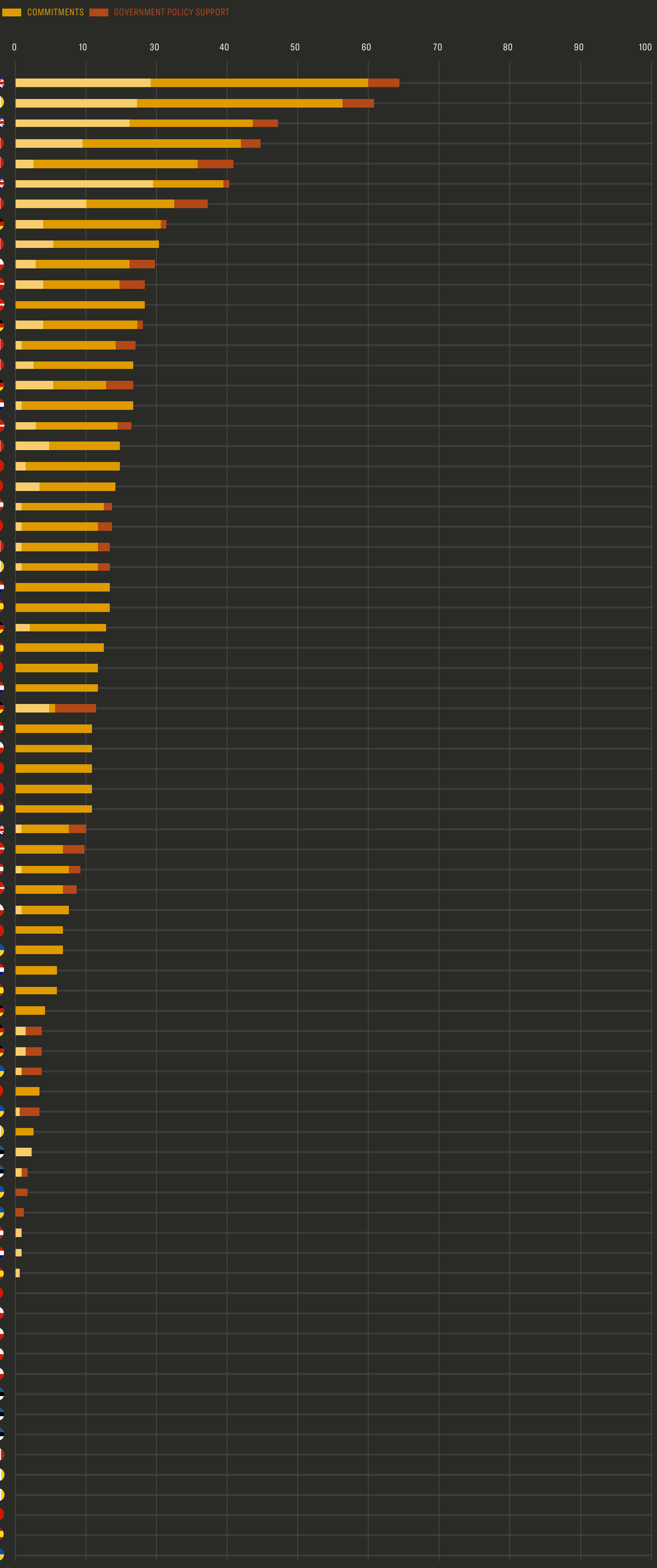
Government policy support

In this section we investigated where retailers stand on some of the government policies, such as support for an all-inclusive deposit return system (DRS),[A] support for DRS for refill and support for mandatory reuse targets. The main findings are:

- The average score across the three indicators included in this section was only 12.7% of the available points.
- Germany's organic retailer Alnatura was the highest-scoring company with 70% of the total, followed by BioCoop in France with 60%; both were the only organic retailers included in the survey.

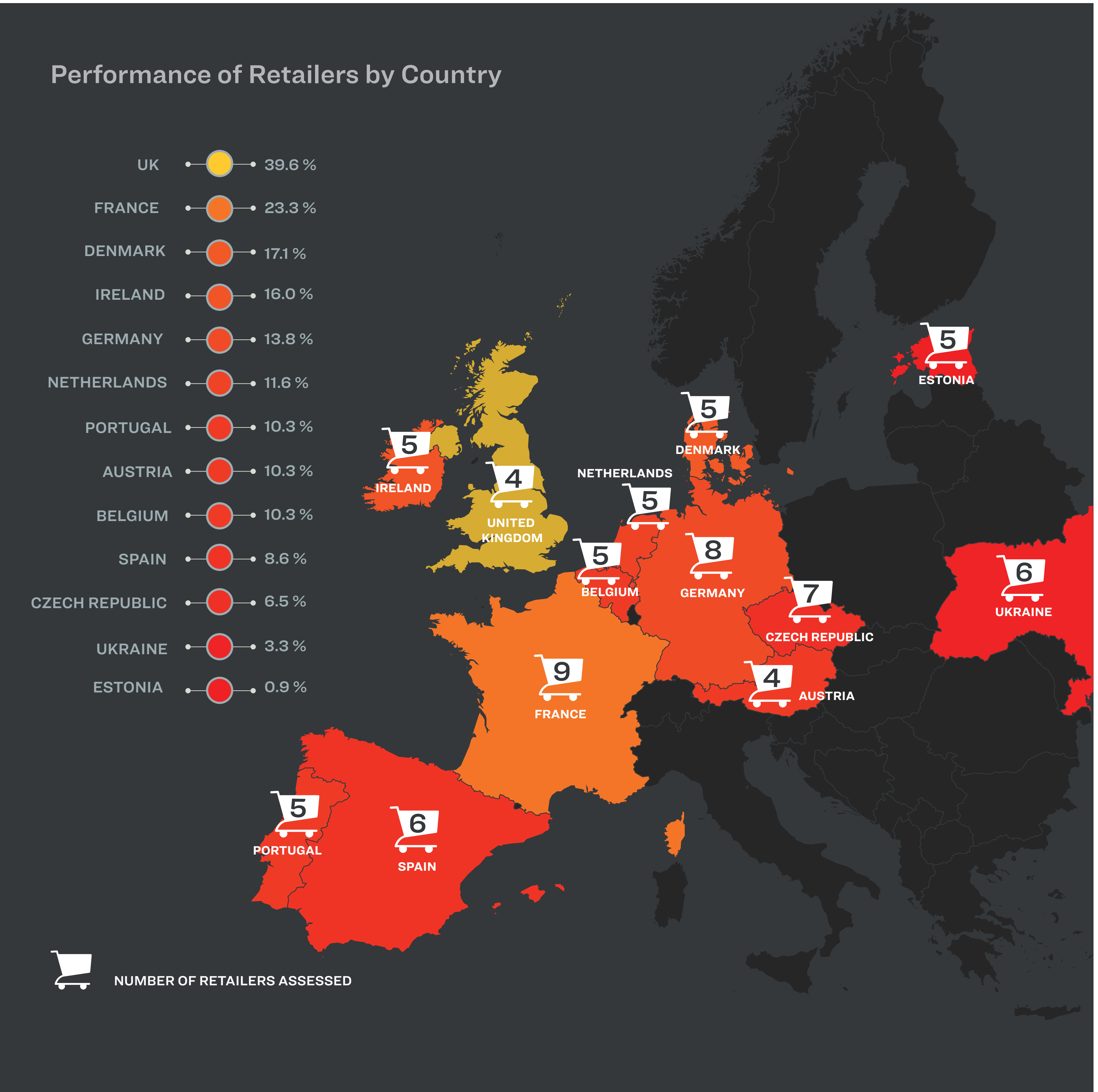
A An all-inclusive DRS means a system that includes all sizes of beverage containers and all materials, namely plastic, glass, aluminium, cartons and pouches.

Retailer ranking – overview of retailer performance



RETAILER	RANKING	COUNTRY	TRANSPARENCY & PERFORMANCE	COMMITMENTS	GOVERNMENT POLICY SUPPORT	TOTAL (out of 100)
Aldi (Süd)	01	UK	23,0	37,0	5,3	65,3
Aldi (Süd)	02	Ireland	20,7	35,0	5,3	61,0
Lidl (Schwarz Group)	03	UK	19,3	21,0	4,3	44,7
Carrefour	04	France	11,3	27,0	3,3	41,7
Biocoop	05	France	3,0	28,0	6,0	37,0
Marks & Spencer	06	UK	23,3	12,0	1,0	36,3
Système U	07	France	12,0	15,0	5,7	32,7
Aldi (Süd)	08	Germany	4,7	20,0	1,0	25,7
Auchan	09	France	6,3	18,0	0,0	24,3
Lidl (Schwarz Group)	10	Czech Republic	3,3	16,0	4,3	23,7
Aldi (Nord)	11	Denmark	4,7	13,0	4,3	22,0
Salling	11	Denmark	0,0	22,0	0,0	22,0
Aldi (Nord)	13	Germany	4,7	16,0	1,0	21,7
Casino	14	France	1,0	16,0	3,3	20,3
Aldi (Nord)	15	France	3,0	17,0	0,0	20,0
Rewe	15	Germany	6,3	9,0	4,7	20,0
Ahold Delhaize	15	Netherlands	1,0	19,0	0,0	20,0
Lidl (Schwarz Group)	18	Denmark	3,3	14,0	2,3	19,7
Intermarché	19	France	5,7	12,0	0,0	17,7
Jerónimo Martins	19	Portugal	1,7	16,0	0,0	17,7
Aldi (Nord)	21	Belgium	4,0	13,0	0,0	17,0
Spar	22	Austria	1,0	14,0	1,3	16,3
Carrefour	22	Belgium	1,0	13,0	2,3	16,3
Lidl (Schwarz Group)	24	France	1,0	13,0	2,0	16,0
Lidl (Schwarz Group)	24	Ireland	1,0	13,0	2,0	16,0
Aldi (Nord)	24	Netherlands	0,0	16,0	0,0	16,0
Alcampo	24	Spain	0,0	16,0	0,0	16,0
Lidl & Kaufland (Schwarz Group)	28	Germany	2,3	13,0	0,0	15,3
Aldi (Nord)	29	Spain	0,0	15,0	0,0	15,0
Lidl (Schwarz Group)	30	Belgium	0,0	14,0	0,0	14,0
Lidl (Schwarz Group)	30	Netherlands	0,0	14,0	0,0	14,0
Alnatura	32	Germany	5,7	1,0	7,0	13,7
Lidl (Schwarz Group)	33	Austria	0,0	13,0	0,0	13,0
Kaufland (Schwarz Group)	33	Czech Republic	0,0	13,0	0,0	13,0
Aldi (Nord)	33	Portugal	0,0	13,0	0,0	13,0
Lidl (Schwarz Group)	33	Portugal	0,0	13,0	0,0	13,0
Lidl (Schwarz Group)	33	Spain	0,0	13,0	0,0	13,0
Tesco	38	UK	1,0	8,0	3,0	12,0
Dagofra	39	Denmark	0,0	8,0	3,7	11,7
Hofer (Aldi Süd)	40	Austria	1,0	8,0	2,0	11,0
Coop	41	Denmark	0,0	8,0	2,3	10,3
Ahold Delhaize	42	Czech Republic	1,0	8,0	0,0	9,0
Auchan	43	Portugal	0,0	8,0	0,0	8,0
Auchan	43	Ukraine	0,0	8,0	0,0	8,0
Plus (Coop)	45	Netherlands	0,0	7,0	0,0	7,0
El Corte Inglés	45	Spain	0,0	7,0	0,0	7,0
Metro	47	Germany	0,0	5,0	0,0	5,0
Edeka	48	Germany	1,7	0,0	2,7	4,3
Netto	48	Germany	1,7	0,0	2,7	4,3
Goodwine	48	Ukraine	1,0	0,0	3,3	4,3
Intermarché	51	Belgium	0,0	4,0	0,0	4,0
Silpo	51	Ukraine	0,7	0,0	3,3	4,0
Tesco	53	Ireland	0,0	3,0	0,0	3,0
Coop	54	Estonia	2,7	0,0	0,0	2,7
Rimi	55	Estonia	1,0	0,0	1,0	2,0
Spar	55	Ukraine	0,0	0,0	2,0	2,0
Epicentre K	57	Ukraine	0,0	0,0	1,3	1,3
Rewe	58	Austria	1,0	0,0	0,0	1,0
Spar	58	Netherlands	1,0	0,0	0,0	1,0
Mercadona	60	Spain	0,7	0,0	0,0	0,7
Cora	61	Belgium	0,0	0,0	0,0	0,0
Billa (Rewe)	61	Czech Republic	0,0	0,0	0,0	0,0
Coop	61	Czech Republic	0,0	0,0	0,0	0,0
Penny	61	Czech Republic	0,0	0,0	0,0	0,0
Tesco	61	Czech Republic	0,0	0,0	0,0	0,0
Maxima	61	Estonia	0,0	0,0	0,0	0,0
Prisma	61	Estonia	0,0	0,0	0,0	0,0
Selver	61	Estonia	0,0	0,0	0,0	0,0
Leclerc	61	France	0,0	0,0	0,0	0,0
Dunnes	61	Ireland	0,0	0,0	0,0	0,0
Musgrave	61	Ireland	0,0	0,0	0,0	0,0
Intermarché	61	Portugal	0,0	0,0	0,0	0,0
Carrefour	61	Spain	0,0	0,0	0,0	0,0
Metro	61	Ukraine	0,0	0,0	0,0	0,0

- Out of the 74 retailers, only 5 (Aldi Ireland, Aldi Denmark, Aldi UK, Lidl UK and BioCoop in France) were considered to provide strong support for an all-inclusive beverage DRS. This is unsurprising given that supermarkets have been identified as one of the main lobby groups against the implementation of DRS in many European countries.
- Similarly, only Alnatura in Germany said that it supported binding government targets for refillable and reusable packaging. Conditional support for such targets was expressed by Dagrofa (Denmark), REWE Group, EDEKA and Netto in Germany as well as Système U in France. A further 14 retailers supported voluntary rather than binding targets.



Performance in different countries

Average scores achieved across the 13 countries were very low. Retailers from the UK achieved 39.6%[B] and the French retailers scored 23.3%, sitting at the top of the country ranking. No other country achieved a total average of more than 20%. The average score achieved by retailers in Spain, the Czech Republic, Ukraine and Estonia was below 10%. Another noticeable trend is the considerable variation in scores of international retail groups in the various countries in which they operate. For example, the Schwarz Group, which owns the Lidl and Kaufland brands, achieved 44.7% in the UK and between 13% and 23.7% in other countries such as Germany and the Czech Republic. Aldi Süd scored over 60% in the UK and Ireland, whereas it scored only 11% in Austria where it operates under the Hofer banner. Such divergence in policies cannot be explained by diverging national legislation and it points to the fact that even more progressive retailers do not have a holistic company-wide approach to deal with the plastic crisis across different countries.

The way forward

Although the current retailer performance is disappointing, the analysis also shows that such abysmal results do not have to remain the reality. The Changing Markets Foundation has combined the best responses from the questionnaire to create a best-in-class fictional retailer that got a total score of 82.7%. Performance and commitments around reuse were a major blind spot, as none of the retailers was found to be performing well. Most other issues were found to be addressed well by at least one existing retailer, which means that simply by combining existing practices supermarkets could up their game, increasing their transparency, as well as providing credible and meaningful commitments to reduce, reuse and recycle their plastic packaging, while also supporting ambitious government policies that would drive a level playing field in the sector.

The report also points to the problematic greenwashing practices by some supermarkets. The EMF reported that supermarkets that have signed up to their New Plastics Economy commitment, place on the market over 60% of soft flexible packaging that is unrecyclable. Our report shows that rather than redesigning and reducing their packaging, supermarkets try to recycle the unrecyclable. Greenwashing examples can be found in the UK, with the creation of The Flexible Plastic Fund and supermarkets' in-store soft plastic collection schemes ultimately stemming from a lack of government policy. Tesco and Sainsbury's installed bins for separate collection of flexible packaging in their stores and contracted a company to manage this waste, but the company was found to be exporting to third countries such as Turkey, where previous investigations have shown that the waste was illegally dumped and burned. Supermarkets must stop the perpetuation of false solutions and greenwashing and invest in true solutions such as plastic reduction, upscaling reuse and actively supporting adequate policy. Governments must create policy frameworks that ultimately lead to plastic reduction, especially for hard to recycle and non-essential single-use plastics, and the creation of reuse and effective recycling systems.

The report ends with recommendations for retailers, governments, consumers and investors.

B Better performance of UK retailers can be explained by the fact that EIA and Greenpeace UK have produced an annual retailer plastic footprint report, *Checking Out on Plastics*,[2] since 2017. In the first iteration of the survey, many retailers struggled with clear and consistent reporting, but over the course of the project and through sustained engagement, including refining the methodology in consultation with the retailers, the quality of data and level of transparency from UK retailers has drastically improved.

References

1 Retail Index (2022) Rankings and Profiles of Food Retailers in Europe. [ONLINE] Available at: https://www.retail-index.com/sectors/foodretailersineuropeandworldwide.aspx

2 Environmental Investigation Agency and Greenpeace (2021) Checking Out on Plastics III. [ONLINE] Available at: https://checkingoutonplastics.org

Photos: Waste from European supermarkets found dumped in Turkey

Credit: Dr. Sedat Gündoğdu, Çukurova University

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