Germany‘s Refillable Bottle Systems

Zero Waste Live ! Webinar

April 13th 2021
GDB: facts and figures

- Trading and service company of German mineral water bottlers,
- Cooperative (non-profit business)
- Headquarters: Bonn, Germany
- Founded: 1937
- Members/Customers: 162 (nearly all German mineral water bottlers)
- Turn over 2019/20: about 160 m. €
- Staff (group): 50
Refillable Working Group: facts and figures

- Managing the Refillable Logo and working as a think tank & information point about refillables serving companies, start-ups, authorities and science
- Joint Organization of 8 Associations of Beverage Industry, Retail and environmental NGOs
- > 200 Companies with more than 600 brands
- Founded 2005
Characteristics of the German Beverage Market

- Many Regional/Local producers: 1,350 breweries, 180 mineral water bottlers, 400+ softdrink & fruit juice producers
- Beverages are sold in crates
- A rich, diverse and specialized retail structure for beverages: 3,500 gross retailers, 12,000+ specialized beverage retailers
- This sums up to 150,000 green jobs
Typical Questions Associated

- Type of beverage?
  - Branding?
- Customers and Consumer preferences
  - Strategy (Corporate, Brand)
- Economic and environmental efficiency
  - Costs
  - Independence
- Quality
  - Fair Share of burdens

Container Type
(PET, Glass, Can)

Single Use

Refill

Individual

Pool

Managed* Unmanaged

Typical Issues Associated

- Beer in PET is a “no-no” in Germany

- Most discounters won’t list reuse
  - Glass associated with high-quality (Branding!)

- Pool bottles = co-operation with competitors
  - Individual bottles higher costs

- Unfair practices in unmanaged pools
  - Quality issues
GDB Pool Reuse Systems

GDBs reuse bottle system is a Managed Pool System

It is referred as the pool system for beverage containers in Germany
GDB Glass- and PET-Reuse-Pools & PET Circular System

Market Share:
Beverage Container Mineral Water Market
> 40 %

GDB Share Reuse:
GDB Glass- & PET-Reuse in Mineral Water Market
> 70 %

Bottles Filled in 2020:
All GDB Systems
~ 6.8 billion

Number of Reuse Bottles:
Glass- and PET-Reuse of GDB
> 1 billion

Deposit Value:
Glass- and PET-Mehrwegpools der GDB
> 300 million €

Source: GDB, 2021
>140 bottlers

> 400 brands
Purpose of Pool Management

- legal framework for all bottlers
- balanced input and ejects
- responsibility of all bottlers
- fair sharing of benefits and duties
- clearing activities
- market analyses

→ Resulting in a well working system since more than 50 years
A wide range of GDB Refillable Pool Containers

Glass & PET Refillables

from 0,5 – 1,5 L
Beer & CSD Unmanaged Reuse Bottles

In the German beer market and parts of the CSD market dominance of

unmanaged reuse bottles & crates
Beer & CSD Reuse Bottles

- Bottles used by brewers, CSD-producers, fruit-juice-makers etc.

- Estimates range between 1.5 - 2 billion bottles, 150-200 million crates in the market

- Growing issues with lost bottles, poor quality and unfair share of burden

- 2020: New initiative to set up a management system for this part of the market
The German Refillable System:
A decentralized structure – the “Invisible Hand” at work

A combination of self interest, experience, and established traditional structures
The Double Circuit of Refillables

- Retailer
- Bottler
- Consumer
- Recycling

NEW bottle

50x

2nd circulation

Defect bottles

glass industry PET Recyclers
Market Share Refillables
(Official Federal data of 2018)

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Beer</th>
<th>Mineral Water</th>
<th>Soft Drinks</th>
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<tbody>
<tr>
<td>90%</td>
<td>79.5%</td>
<td>39.1%</td>
<td>26.5%</td>
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</table>

The Trend: Growing market share for glass refill
## Deposits

<table>
<thead>
<tr>
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<th>Deposit</th>
<th>Remarks</th>
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<tbody>
<tr>
<td>Single Use (Mandatory)</td>
<td>€ 0,25</td>
<td>Based on German Packaging Law</td>
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<tr>
<td>Reuse</td>
<td>€ 0,08 – 0,15</td>
<td>No legal requirements „Commercial Custom“</td>
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<tr>
<td></td>
<td>Sometimes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>€ 0,25 and more...</td>
<td></td>
</tr>
<tr>
<td>Crates</td>
<td>Usually € 1,50</td>
<td>No legal requirements „Commercial Custom“</td>
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<td></td>
<td>Other deposits in the market</td>
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The most important ingredient...

Simplicity*

* For consumers
Current Tasks & Challenges

- Stop loss of market share in PET-Reuse

- Raise rPET share (especially with clear PET-resue bottles)

- Become Carbon Neutral by 2030: a 10 Year project

- Erase flaws in the current German packaging law
A New Trend: Reuse beyond beverages
Thank you!