

Water in the Spotlight (4)

Bottled water and sustainability: an encouragingly good first report.

by DOMINIQUE HURET

The European Federation of Bottled Waters (EFBW) is the voice of the bottled waters industry in Europe. This not-for-profit trade association based in Brussels, has a membership base of 26 national trade associations which together represent over 500 natural mineral and spring water producers across Europe. Dominique Huret, from Cape Decision reports on the first edition of their sustainability report with the highlights the industry's commitments and progress.

Not really surprising, the protection of the environment is the whole water bottled industry top priority. During the last ten years considerable improvements have been made along the production process to reduce the industry's environmental impact.

To manage water resource effectively and to guarantee her quality, a comprehensive ground water management is required.

First things first: the catchment areas and the building of partnership with local agricultural communities need to be developed. The late Nestlé's Agrivair initiative, the Evian or even the

Belgian Fagne Catchment Area from Spa dating from the 19th century are good examples.

Effective protection of water resources also includes monitoring spring flows and water levels. Indeed, water is a renewable resource, replenished continuously through the hydrological cycle, but it nice to know that only 0.02% of renewable groundwater is abstracted annually for bottled water.

Typically it takes less than 2 liters of water to produce 1L of bottled water. The industry has a low water ratio as compared to all other packaged food and drinks. (see chart 1 below)

Encouraging initiatives are flourishing. By making changes in its production processes, such as installing a new bottle washer, Radenska in Slovenia has reduced its industrial water by 20%. Chaudfontaine, now part of the Coca-Cola group has lowered the amount of industrial water it uses in reusing industrial water to cool its machinery and this water serve for emergency use, to extinguish fires. But reducing CO₂ emissions remains as one of the key indicators of environmental

performance. The sector has put forward ambitious targets to reduce its carbon footprint. But for bottling, packaging, distribution, recycling and final disposal of bottled waters like many other consumer goods, fossil fuels remain essentials.

Luckily, energy improvements and new technologies both contribute to save substantial amounts of fossil energy. One finds in the water bottled sector many examples of continuous improvements but also some breakthrough innovations. In the Randegger factory in Germany, all its power comes from a regional hydroelectric power, and its heating from wood granules while in Chaudfontaine, a new geothermal station recuperates the mineral water's natural heat (37°C at source) and redistributed to warm the production site throughout the year.

Logistics and transport taking a large toll on the energy and footprint consumption of the bottled water industry, creative solutions have developed.

Bezoya water in Spain has significantly reduced its transport bill by efficiency by ten percent in optimizing both the routing system and the assignment of orders and loads.

Danone has put in place an integrated approach for the global distribution of its mineral water brands: a combination of train and container barges along the Saône-Rhône has kept 5,000 trucks off the road. A similar journey for Vittel and Contrex waters taking the train to reach Antwerp port and neighboring points of sales.

Often pinpointed as well, the packaging itself has undergone a diet. Since 1996, a mere 15 years ago, the weight of bottles have been reduced by 17% in the overall weight of PET bottles. The gains counts the reduction of the amount of

Chart 1: Use of water for the production of one liter of beverage Source: www.waterfootprint.org

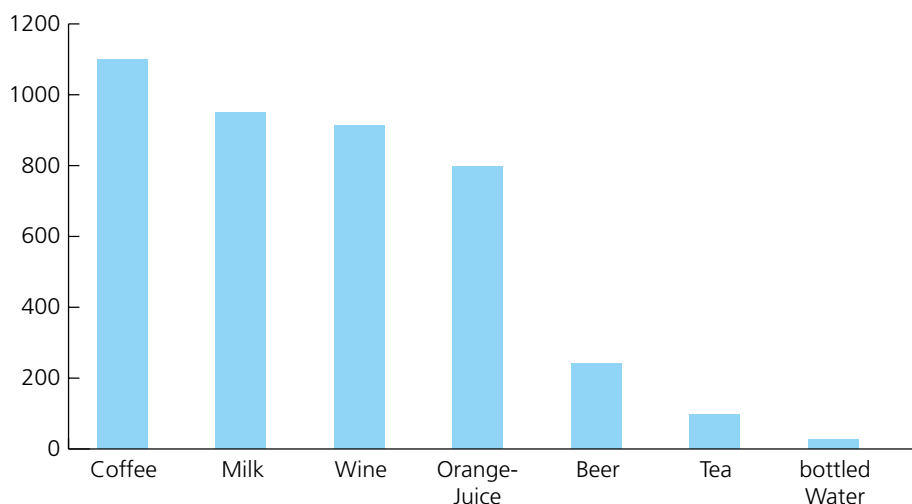
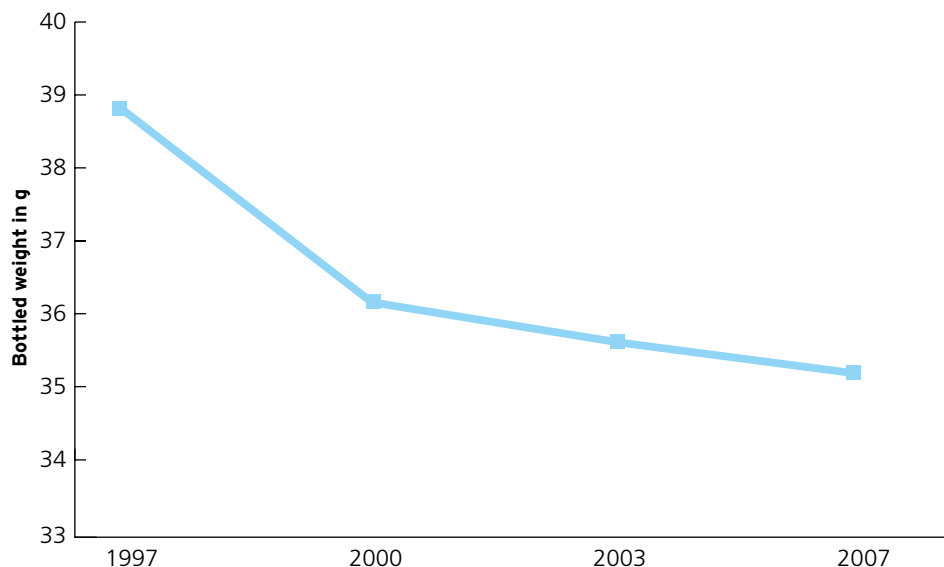


Chart 2: 1,5 liter bottle weight trend

Source: ADEME France



plastic used but also in the emissions released during transportation. To name one: Coca-Cola, PET bottles have been reduced by 32% since they were initially introduced in 1991, chart 2.

Beside, the shape and design of plastic and glass bottles have undergone numerous changes over recent years.



Bottle makers have put a lot of hard work in optimizing sizes and formats to reduce packaging material and waste.

Always good to keep in mind: every beverage packaging is fully recycle, be it plastic, glass or aluminum cans. The PET packaging takes the lead with the R-PET increasing its share in the bottle material.

Though recycling rates vary across Europe, there has been a steady increase in the capture of PET bottles, from 35% in 2005 to 48% in 2009. Simultaneously, water bottlers keep investing in new recycling technologies to use greater amounts of recycled materials in their packaging.

For instance, Valvert uses 100% recycled cardboard and paper labels for its packaging and have introduced 25% material made from recycled PET to produce the Valvert bottle, which means the saving of 4200 barrels of petrol and 4,500 trees every year.

Since 2006 already, Chaudfontaine uses a fully recyclable transparent label for its glass water bottle. Made of polypropylene, the label easily rinses off with water and can be recycled for reuse.

The r-Pet is benefiting now from an increasing preference from the water

bottlers, who are trying to maximize its use. Since 1998, Spa PET bottles contain 25% of r-PET but similar initiatives flourish all over Europe now, Font Vella in Spain, Danone waters as well as Britvic.

The corporate social responsibility also stand on the water bottlers "to do" list. Often with institutional actors, projects and objectives are very diverse. On the green side, one find for instance conservation of wetlands (Danone Evian Fund), protection of water resources (Coca-Cola Hellenic /Polish environmental agency), reforestation (Zywiec Zdrój mineral waters Poland). When on the "social" side, WASH (Spa/Unicef) is water education sanitation and hygiene and several other projects deal with building wells (Acqua Panna/Amref, etc.).

While environmental protection has always been an integral part of corporate strategy, bottled water companies in recent years have truly stepped up measures to reduce their impact.

Though significant efforts have been taken across the sector, there is no clear method of assessing environmental efficiency. Definitions, rates and standards vary.

Today, the industry is working hard towards a coordinated approach that will allow communicating its dynamic achievements even better.

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Dominique Huret, expert for the beverage industries, has studied the latest EU directive 2009/54 as well as the Codex, reference book written by the World Food Organization and World Health Organization. Guide to elaborate national laws, the Codex is used to set up the different water categories as well as the criteria for exports.