

PLASTIC BAG AGREEMENT BETWEEN THE CATALAN WASTE AGENCY, THE ASSOCIATION OF SPANISH SUPERMARKET CHAINS (ACES), THE NATIONAL ASSOCIATION OF LARGE DISTRIBUTION COMPANIES (ANGED), THE SPANISH ASSOCIATION OF DISTRIBUTORS, SELF-SERVICES AND SUPERMARKETS (ASEDAS), THE SPANISH CONFEDERATION OF COMMERCE (CEC), THE CATALAN CONFEDERATION OF COMMERCE (CCC), THE CATALAN COUNCIL OF FOOD DISTRIBUTION COMPANIES (CEDAC), THE SPANISH ASSOCIATION OF PLASTIC BAG MANUFACTURERS (AEFBP) AND THE CATALAN SMALL AND MEDIUM-SIZED ENTERPRISE ASSOCIATION (PIMEC)

Dr. Roux 80
08017 Barcelona
Tel. 93 567 33 00
Fax 93 567 33 05
www.arc.cat

In Barcelona on 28 July 2009

BETWEEN

The Honourable Mr. Francesc Baltasar Albesa, Minister of the Environment and Housing of the Government of Catalonia and Chairman of the Catalan Waste Agency, a public body attached to the Department of the Environment and Housing of the Government of Catalonia, a post he holds under article 55 of the Waste Regulation Act 6/1993, dated 15 July and article 10 of Decree 245/1993, dated 14 September, approving the statutes of the Catalan Waste Agency with registered address at Carrer Dr. Roux, 80, Barcelona, and with tax identification number Q-5856373E.

Mr. Ignacio Cobo Ballesteros, on behalf of and representing the Association of Spanish Supermarket Chains (ACES), with identity card number 24180634-K, with official address at Calle Núñez de Balboa, 90 2º, Madrid, in his capacity as Chairman, in accordance with a resolution by the Association's Extraordinary General Meeting held on 22 February 2008.

Mr. Juan Manuel de Mingo Contreras, on behalf of and representing the National Association of Large Distribution Companies (ANGED), with identity card number 01207911-C and official address at Calle Velázquez, 24 5º dcha., Madrid, in his capacity as Chairman, in accordance with powers established in the Association's Statutes registered with the Central Office for the Deposit of the Statutes of Professional Organisations, with the number 265.

Mr. José Pedro Pérez-Llorca Rodrigo, on behalf of and representing the Spanish Association of Distributors, Self-Service Operators and Supermarkets (ASEDAS), with identity card nº 31128825-G and official address at Calle Cedaceros, 11 2º, Despacho C, in Madrid, in his capacity as Chairman, in accordance with article 17 of the Statutes of ASEADAS registered with the Ministry of Employment and Social Affairs in Madrid on 30/09/03.

Mr. Pere Llorens i Lorente, on behalf of and representing the Catalan Confederation of Commerce (CCC) and the Spanish Confederation of Commerce (CEC), with identity card number 37850303-P and respective official addresses at Calle Orense 25 2º C, Madrid, in his capacity as Chairman, in accordance with the powers of attorney issued in 2006, and at Via Laietana, 32, Barcelona in his capacity as Chairman, in accordance with a deed granting powers of attorney dated 2000.

Mr. Alejandro Goñi i Febrer, on behalf of and representing the Association of Small and Medium-Sized Enterprises of Catalonia, PIMEC COMERÇ, with tax identification number G-61512257 and with official address at Carrer Viladomat, 174, Barcelona, in his capacity as Chairman in accordance with a resolution of the Management Committee of PIMEC on 3 April 2001 and ratified at the General Meeting of 3 April 2001.

Dr. Roux 80
08017 Barcelona
Tel. 93 567 33 00
Fax 93 567 33 05
www.arc.cat

Mr. Jaume Rodríguez i Bertiz, on behalf of and representing the Catalan Council of Food Distribution Companies (CEDAC), with identity card number 38153249-K and official address at Via Laietana, 32-34 2º piso, Despacho nº64, Barcelona, in his capacity as Chairman in accordance with article 21 of the Statutes of CEDAC registered with the Directorate General of Employment Relations of the Government of Catalonia on 05/12/05.

Mr. Jaume Coca i Font, on behalf of and representing the Spanish Association of Plastic Bag Manufacturers (AEFBP), with identity card number 36871 277-T and official address in Gran Via de les Corts Catalanes 645 planta 6a, Barcelona, in his capacity as Chairman, in accordance with a resolution of the Meeting held on 25 November 2008.

The parties mutually recognise in one another full legal capacity to conclude this Agreement,

THEY DECLARE

I.-Whereas the Catalan Waste Agency is a public body attached to the Department of the Environment and Housing of the Government of Catalonia responsible for ensuring control and management of waste with the aim of achieving the objectives set in article 2 of the Waste Regulation Act 6/1993, dated 15 July.

II.- Whereas, according to a study commissioned by the Catalan Waste Agency, 2,345.6 million plastic carrier bags (325 bags per inhabitant per year) were consumed in Catalonia in 2007, representing 0.43% of the urban waste produced in Catalonia that year. Among the environment impacts deriving from their incorrect final disposal, the most important are: the fact that they make it difficult to treat organic waste; the contribution of heavy metals involved; the visual impact on the environment and the danger to animals; the obstruction of pipes; the difficulties in managing them in landfill, and the recovery of methane from these facilities. In addition, from a media perspective, disposable plastic bags have become a symbol of a throwaway culture.

In accordance with the Packaging and Packaging Waste Act 11/1997, dated 24 April, single-use plastic bags are included in the collection and treatment systems established by manufacturers and importers, in accordance with the principle of the producer's responsibility. In Catalonia there is therefore an extensive network for collecting packaging, in accordance with the different models established by the local authorities.

III.- The 6th Community Environment Action Programme (2001-2010) establishes the aim that the consumption of renewable and non-renewable resources should not

Dr. Roux 80
08017 Barcelona
Tel. 93 567 33 00
Fax 93 567 33 05
www.arc.cat

exceed the load capacity of the environment and urges States to dissociate, on one hand, environmental impact and degradation from economic growth on the other, through increasing efficiency in the use of resources and WASTE PREVENTION.

Along the same lines, Directive 2008/98/EC, of the European Parliament and the Council, dated 19 November 2008, on waste, moves forward along the lines of seeking sustainable development covering both use of resources and waste management. For this reason, it establishes that the first objective of waste policy must be to REDUCE the negative effects of generation to a minimum. This makes PREVENTION the first priority, and reuse and recycling are the priority forms of waste recovery in terms of management.

Concerning waste prevention, the new Framework Waste Directive urges States to make an effort to take into account the entire lifecycle of products and materials, including design and manufacture.

In accordance with this Community framework, article 6 of Act 6/1993, dated 15 July, with the wording given in Act 9/2008, dated 10 July, includes the need to promote a reduction in the production of waste and in the hazard resulting from it at the successive design, production, distribution and sale of goods and provision of services phases, as well as the reuse of waste, selective collection, recycling and other forms of material recovery.

IV.- The Catalan Urban Waste Management Programme 2007-2012 (PROGREMIC) establishes the aim to reduce single-use plastic bags by 50% in 2012 (compared to the 2007 figures). It specifically states that an attempt will be made to achieve this objective, in the first place, through voluntary agreements with the sectors involved and, if these are not sufficient or possible, through the introduction of normative instruments.

V.- Considering the desire of the distribution, manufacturing and commerce sector to make a decisive contribution to achieving the aims of PROGREMIC 2007-2012, the Catalan Waste Agency intends to give maximum support to this initiative in order to reduce consumption and promote the reuse of plastic bags by concluding the following:

PLASTIC BAG AGREEMENT

ONE.- OBJECTIVES

The aim of this agreement is to establish a framework for cooperation between the signatory parties with the environmental purpose of correcting the excessive, unnecessary use of single-use plastic carrier bags and achieving sustainable consumption of them.

Dr. Roux 80
08017 Barcelona
Tel. 93 567 33 00
Fax 93 567 33 05
www.arc.cat

For these purposes, the aim of the agreement is, during its validity, to achieve a quantitative target of reducing the consumption of single-use plastic carrier bags by 50% in 2012 compared to the 2007 figure.

TWO.- COMMITMENTS OF THE PARTIES

1.- The Catalan Waste Agency pledges to:

- Provide technical, institutional and communication support for the actions carried out by the agreement signatory organisations to reduce the consumption of disposable single-use plastic bags.
- Authorise the companies and/or associations subscribing to the Agreement to use the logo of the Catalan Waste Agency for the campaign to reduce the consumption of single-use plastic bags while the agreement is in force. Communication items to be published will have to be supervised and approved in advance.
- Take part in the Technical Committee for the Agreement set up to monitor the results of the actions and to suggest new actions.

2.- The organisations signing the agreement pledge to:

- Encourage their members to subscribe to the agreement.
- Take an active part in the Agreement Technical Committee, passing the results of actions and the results achieved by subscribing companies on to the Administration.
- Take part in the design of measures and indicators for putting the measures into practice.

3.- The companies and associations supporting the agreement pledge to:

- Accept the agreement's reduction targets.
- Draw up a study to detect opportunities to reduce the number of bags associated with a particular volume of shopping. In addition, draw up a viability study for the application of different alternative measures considering the location, sales volume and nature of the establishment.
- To choose a battery of possible solutions to rationalise the service for distributing products purchased in their establishments to customers. Proper reasons must be given for the choice of these measures, depending on the characteristics of each establishment, and they must be spelt out by each establishment individually or collectively subscribing to the agreement. By way of example, appendix 1 details different specific measures from which subscribing companies and associations will choose those best suited to their nature, size and/or commercial policies. The list in appendix 1 can be

extended to include proposed measures included in activities during the agreement in order to achieve the environmental objectives described.

- Incorporate the logo of the Catalan Waste Agency into the campaign to reduce the consumption of single-use plastic bags with prior supervision and approval by the ARC of communication items published.

THREE.- MECHANISM FOR SUBSCRIBING TO THE AGREEMENT

Companies, either individually or grouped into associations, may subscribe to the agreement while it is in force.

Subscription may either be individual or collective and will take the form of an application to the organisations signing the agreement and the formalisation of a document following the attached model.

The companies and/or associations subscribing to this agreement shall formalise the subscription document guaranteeing the following aspects:

- a) That subscription under the proposed terms will help in achieving the objectives established in this agreement.
- b) That the subscribing organisation has set total and partial quantitative targets to be achieved while the agreement is in force, as well as the measures that must be established in order to achieve these targets.
- c) The formulas for the periodic monitoring of the actions aimed at achieving the environmental objectives pursued.
- d) In all cases, measures the supporting companies or associations have carried out in order to reduce single-use plastic carrier bags on the market before the signing of the agreement shall be taken into account.

The representatives of the organisations signing this agreement shall report the subscriptions achieved to the Technical Committee and the committee shall assess the effectiveness of the measures adopted for each subscribing organisation.

When subscription to this agreement is collective, the subscribing association shall, as a group, assume the quantitative target deriving from the detection of opportunities for reduction, which must be the minimum objective of the agreement.

The companies forming part of the subscribing association must identify themselves individually and must also present the battery of measures used to achieve the objectives.

FOUR.- VALIDITY

The period of validity fixed by this agreement shall be two years from the date of signature, extendible by mutual agreement between the parties. It may coexist with other prevention measures.

FIVE.- EVALUATION OF OBJECTIVES

The objectives set in this Agreement shall be evaluated every year from 2011 in accordance with the provisions of the Government Agreement dated 28/07/09. The parties pledge to maintain the commitments made in this document in order to achieve the final target of a 50% reduction in 2012, so they shall continue to adopt and/or implement the appropriate measures agreed with the environmental purpose justified by this agreement.

SIX.- AGREEMENT TECHNICAL COMMITTEE

A Technical Committee is established for this agreement consisting of a representative of each of the organisations signing this document or their delegates, with the participation of four representatives of the Catalan Waste Agency.

The Technical Committee shall meet at least once every six months with the following objectives:

- To propose, determine and monitor actions and measures aimed at achieving the objectives established in the agreement.
- To define the different monitoring indicators for the objectives set by this Plastic Bag Agreement.
- To compare and communicate the results obtained as a result of this agreement, respecting the confidential nature of the information from the subscribing companies.
- The signatory organisations shall report to the committee on subscriptions to the agreement.

And, to demonstrate their consent, all the parties conclude this Plastic Bag Agreement for a sole purpose, at the place and on the date specified in the header.