

MedClean Propre Limpio


No. 125
Waste minimization, reutilization of raw materials

Returnable packaging system

Company	Lafarge Cementos (Spain)
Industrial sector	Manufacture of cement, lime and plaster ISIC Rev 4 n. 2394 (<i>International Standard Industrial Classification of All Economic Activities</i>)
Environmental considerations	Lafarge Cementos is always looking for sustainable solutions, which in many cases includes the implementation of innovative, costless solutions at their plants and in their processes.
Background	<p>The pallet is an essential piece of trading goods along the entire logistic chain. It's useful to support goods, upload and download, transport and store them, etc. Lafarge Spain Business Unit requires about 250,000 pallets per year to serve their clients. Due to the large amount of pallets, instability in the wood prices market may have an important effect on the shipping cost of the operation.</p> <p>Europe promotes and legislates packaging reduction programmes, and recently adopted a new "Illegal Timber Law". This new legislation issues a ban on illegally harvested timber. Covering the whole timber supply chain from logging sites to European consumers, the law aims to guarantee legally sourced products access to EU markets while halting deforestation in third countries.</p> <p>Furthermore, Lafarge Cementos belongs to the Global Forest and Trade Network (GFTN) with the agreement of implementing a responsible purchasing policy of forest products and promote Forest Stewardship Council (FSC) certification in bags and pallets.</p>
Summary of actions	<p>In an attempt to avoid instability in the wood prices market and seeking sustainable solutions, Lafarge Cementos decided to establish a returnable packaging programme. Under this programme customers can: a) pay a deposit and take the pallet with them, or b) return the pallet to the plant after use and get their money back.</p> <p>As the pallet can be reused several times (average turnover rate is 20-30 times), all the pallets entered into a reuse circuit. Once the pallet is returned to the plant, it is classified according to damage, and can be: reused directly, repaired if needed, or rejected (when damage is very considerable), being properly disposed of via a certified waste management company.</p> <p>Lafarge signed a contract with an FSC-certified company to purchase all the returned pallets from all three plants in Spain, and to provide wood for repairing the pallets.</p>

Photo



Balances

	OLD PROCESS	NEW PROCESS
Pallet consumption/year	250,000	12,500 (95% returned)
Cost savings	–	€2 M
Investment		
Payback period		Immediate

Conclusions

Lafarge Cementos currently has a success rate of more than 95% of pallets returned with an estimated saving of 2 M Euros.

In addition to economic benefits, the initiative had the following positive impacts:

- Less waste generation
- Less wood consumption
- Customer differentiation: pallets labelled with FSC and Lafarge logos enhancing environmental compromise of the Group

NOTE: This case study seeks only to illustrate a pollution prevention example and should not be taken as a general recommendation.



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