



Sustainable Packaging Alliance Round Table Series

Round Table Number 10 Summary Report

Implementing NPCII: A whole chain perspective

Friday 30th June 2006

Background

The National Packaging Covenant (NPC) aims to improve the total environmental performance and lifecycle management of consumer packaging. It is based upon whole of product chain cooperation – between the packaging supply chain, consumers, the recovery chain (collectors, re-processors) and all spheres of government. It establishes roles, undertakings and key performance indicators (KPIs) for all signatories and for specific sectors within the packaging chain.

The aim of this Round Table was to:

- Provide participants with an insight into the NPC responsibilities of their own and other sectors within the product chain;
- Share experiences and discuss barriers to successful implementation of NPC II; and
- Help build a common understanding of the KPI-driven collaborative approach to realising Covenant goals.

Speakers representing a cross-section of NPC signatory groups, reflecting the whole of product chain for packaging, discussed their progress to date under NPC II.

This report provides a summary of the presentations and discussions of the 10th SPA Round Table.

The packaging supply chain

Ian Coles (Urban Sustainability Strategies) opened the 10th Round Table and discussed the current situation for the NPC. The previous Covenant expired on July 2005. The revised Covenant is more comprehensive than its predecessor. KPIs and obligations for signatories are more clearly defined with each sector having explicit obligations. The specific goals, targets and KPIs are provided in Schedule 2 of the NPC II. Signatories are required to report against these KPIs and must demonstrate continuous improvement in their annual reports.

Graham Hobbs (Amcor Australasia) discussed the impacts of the NPC on the design, manufacturing and distribution of Amcor's packaging and efforts to improve data collection and reporting. Amcor is a packaging manufacturer and recycler but also takes on some of the requirements of brand owners in order to meet customer requirements. With 4 manufacturing divisions located at 70 sites and 20 different packaging types, Amcor Australasia faces a challenge to collect the data necessary to meet the reporting requirements. Separate reports are needed for the 20 different packaging types because the recycled content is different for each type. Amcor is also working towards implementing processes to fulfil the requirements of ECoPP.

Joe Stefano (Steel Can Recycling Council) informed participants that in 1996 the Steel Can Recycling Council (SCRC) was developed to promote steel can recycling and to gain acceptance of the practice by local government. Ten years ago the percentage of steel cans being recycled was less than 1%. Currently the recycling rate is greater than 50%. SCRC has positioned itself as the

“knowledge hub” for steel can recycling. Research is commissioned in a number of areas including consumer surveys, logo research, bin audits, shelf audits in supermarkets and also specific brand owner and council projects. Targeted communications are used to inform members and others about projects, events and all developments in steel cans.

The packaging recovery chain

Dick Gross (City of Port Philip) discussed how local government is implementing their commitments under the NPC. The council holds a policy of “Towards Zero Waste”. By 2012, waste material will not be accepted directly at the landfill, but will be required to be processed via a materials recycling facility (MRF). Currently, 35% of waste is diverted from landfill to recycling, but the aim is for 65% diversion from landfill. The targets are challenging for the council and will be difficult to meet. Dick stated that Victoria had become world champions at kerbside recycling but that councils need to take a stand to assist the public with AFH recycling.

Jenny Pickles (Sustainability Victoria) provided an update on the role of Sustainability Victoria (SV) in NPC baseline data collection and collation. SV undertakes an annual survey of kerbside services provided by councils. The data obtained in the survey is analysed by SV and information is collated on cost per tonne, cost per household, yield (kg) per household. Diversion from landfill rates are also examined, including recyclables and organic waste. Data relating to resource recovery is also obtained from contractors and the results included in the survey report. Information from the 2004-05 survey has recently been collated. The weight of recyclables collected has increased by 46% since 2000-01. The survey has shown that by using Best Practice Systems, the cost of collecting recyclables is cheaper per tonne and per household.

Ed Cordner (National Packaging Covenant Council) discussed how the KPI data collected by signatories will be compiled and used at the national level. The set of KPIs developed for NPC II will provide quantifiable outcomes. They will establish a baseline for continuous improvement objectives, and then look at packaging performance and the effectiveness of the Covenant. Industry must now provide credible, detailed data, which is critical to confirming the current estimates and determining if they are useful. Ed summarised his presentation by re-stating the need to draw data into a meaningful framework. He said that the data obtained in year 1 would not be perfect but that systems will be established making data collection easier in the future.



Outcomes and learnings

This round table gave participants insight into the challenges faced by companies when collecting their KPI data. It is important to look at the KPI's in the context of the bigger picture, where each player has a role and each KPI is reported against other indicators. There is on-going tension between marketing and NPC obligations which need to be reconciled. Many problems relate to cultural issues, but we should see them as opportunities for creative thinking.

Find out more

A full report including copies of the presentations and details of the round table discussion feedback, conclusions and learnings is available in PDF format at a cost of \$125 + 10% GST.

For further information or to order your copy of the full report please contact: Robert Jordan on (03) 9681 8199 or robert@sustainablepack.org