

Market development for Recycled Packaging Materials through Circular Procurement



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Government Partnership Manager
15 September 2021


Agenda

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INTRODUCTION TO APCO &
THE DEVELOPMENT OF A CIRCULAR
ECONOMY FOR PACKAGING IN AUSTRALIA

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CIRCULAR PROCUREMENT AND THE
MARKET FOR RECYCLED PACKAGING
MATERIALS IN AUSTRALIA

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APCO REPORT: SUPPORTING
GOVERNMENT PROCUREMENT OF
RECYCLED MATERIALS

Introduction to APCO and the development of a circular economy for packaging in Australia

What is APCO?



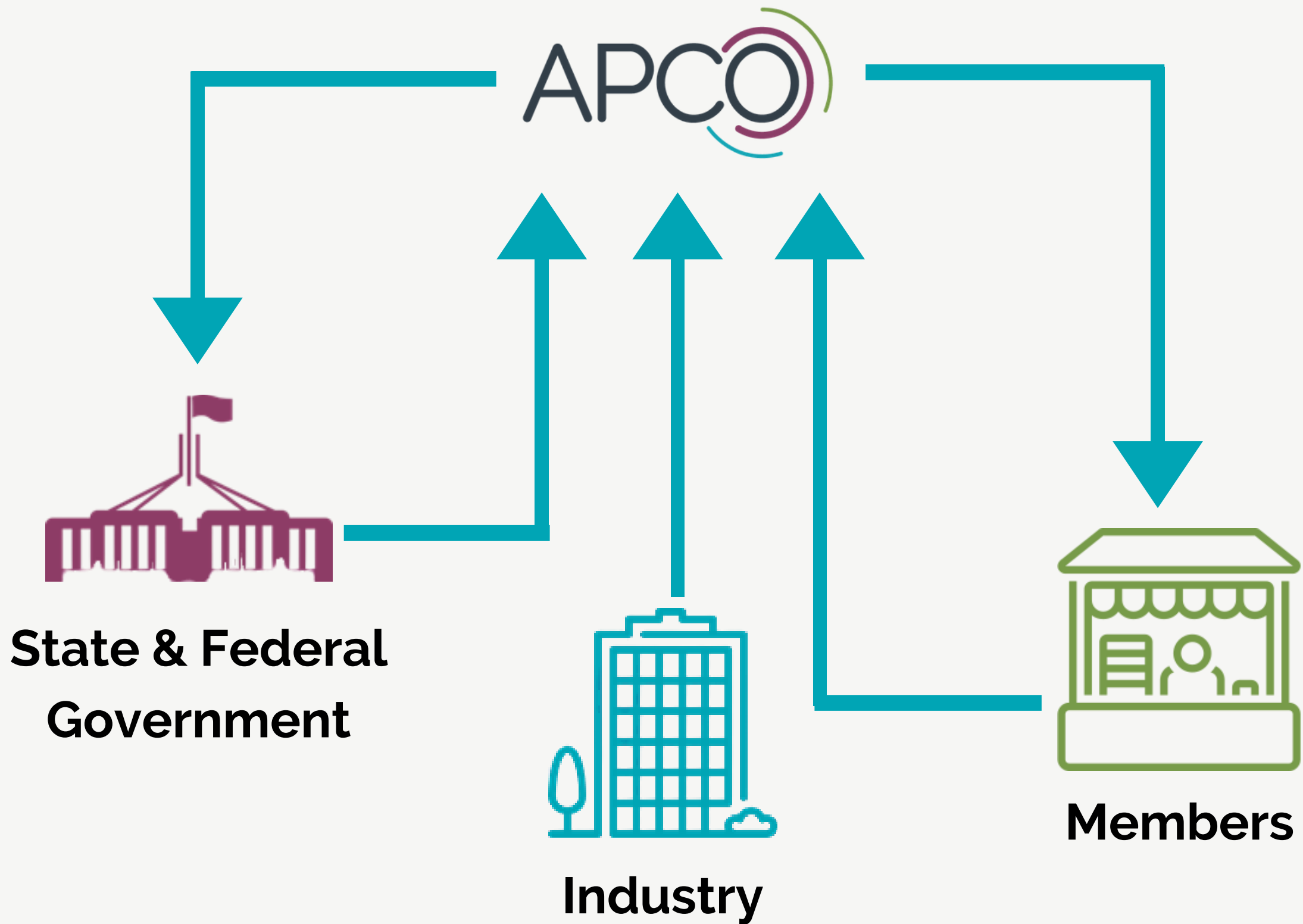
APCO is an independent organisation working on behalf of governments and industry and with a network of partners to transform the way packaging is managed in Australia.

Delivering such a systemic transformation requires:

- Informed participation of all stakeholders from across Australia's complex packaging value chain.
- Commitment to an agreed agenda.
- Continual communication and an evidence base to inform action.
- A 'backbone' organisation accountable for ensuring that it happens.



Our Co-Regulatory Model

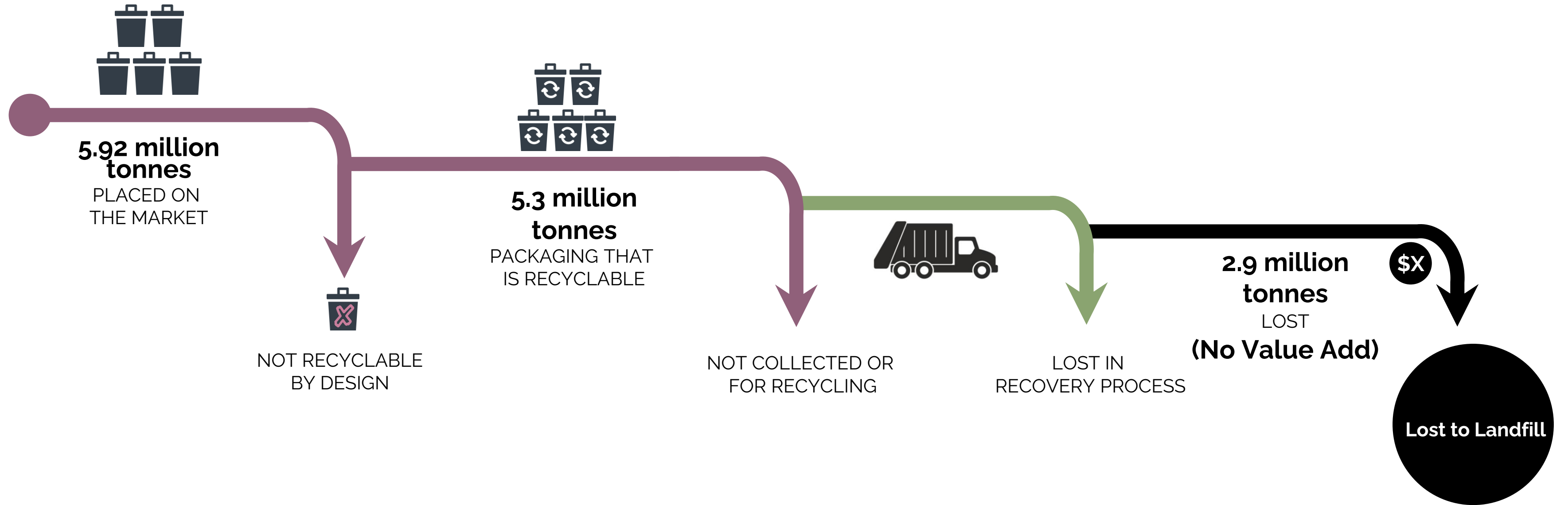


Australian Packaging Covenant

1 January 2017

Replaces the Australian Packaging Covenant 2010

Areas for improvement in the supply chain



Who influences outcomes for packaging waste?



Our Packaging Future (OPF) Vision

The whole packaging value chain collaborates to keep packaging materials out of landfill and maximise the circular value of the materials, energy and labour within the local economy.

OUR PACKAGING FUTURE

A COLLECTIVE IMPACT
FRAMEWORK TO ACHIEVE
THE 2025 NATIONAL
PACKAGING TARGETS

APRIL 2020

The Collective Impact Framework Outcomes

All of our work is underpinned by the Collective Impact Framework, a powerful cross-sector collaboration tool that unites a diverse range of stakeholders from across the value chain behind our common vision of a circular economy for packaging.



OUTCOME ONE
**PACKAGING
DESIGNED FOR
CIRCULARITY**

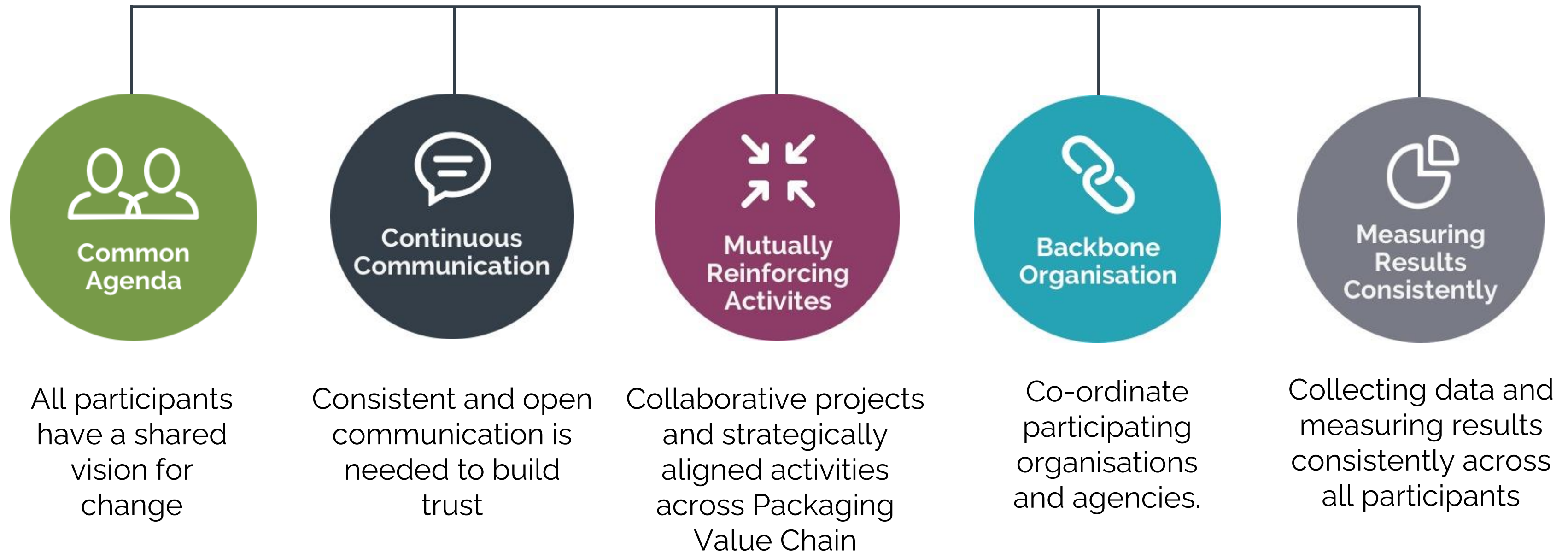


OUTCOME TWO
**IMPROVED
COLLECTION AND
RECYCLING
SYSTEMS**



OUTCOME THREE
**EXPANDED
MARKETS FOR
USED PACKAGING**

Collective Impact Model



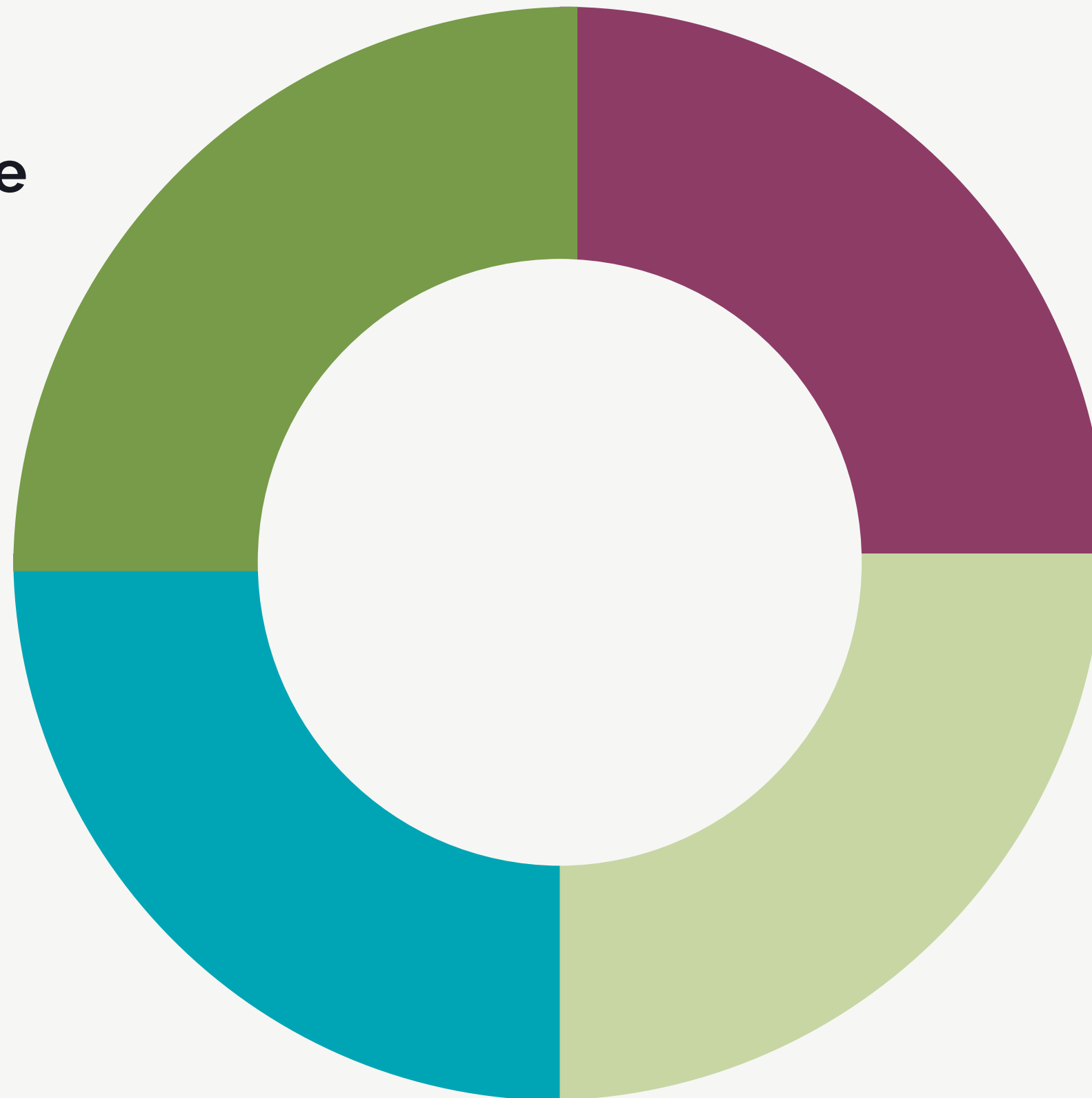
2025 National Packaging Targets

100% of packaging to be reusable, recyclable or compostable

50% average recycled content across all packaging

70% of plastic packaging recycled or composted

Phase out problematic and unnecessary single-use plastic packaging

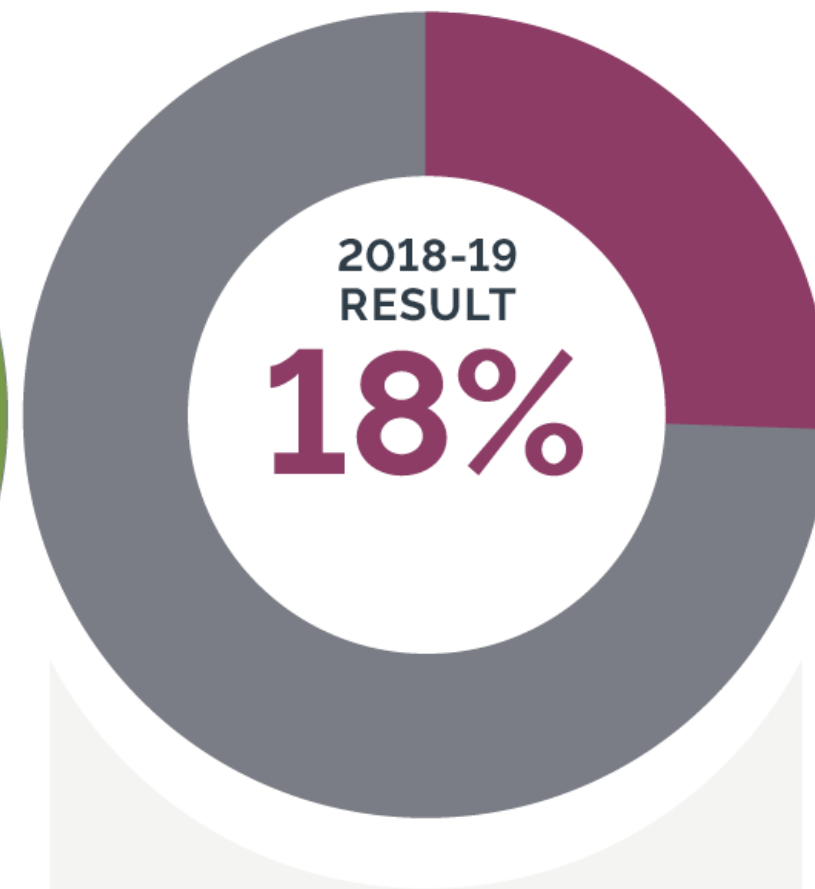


How are we tracking?



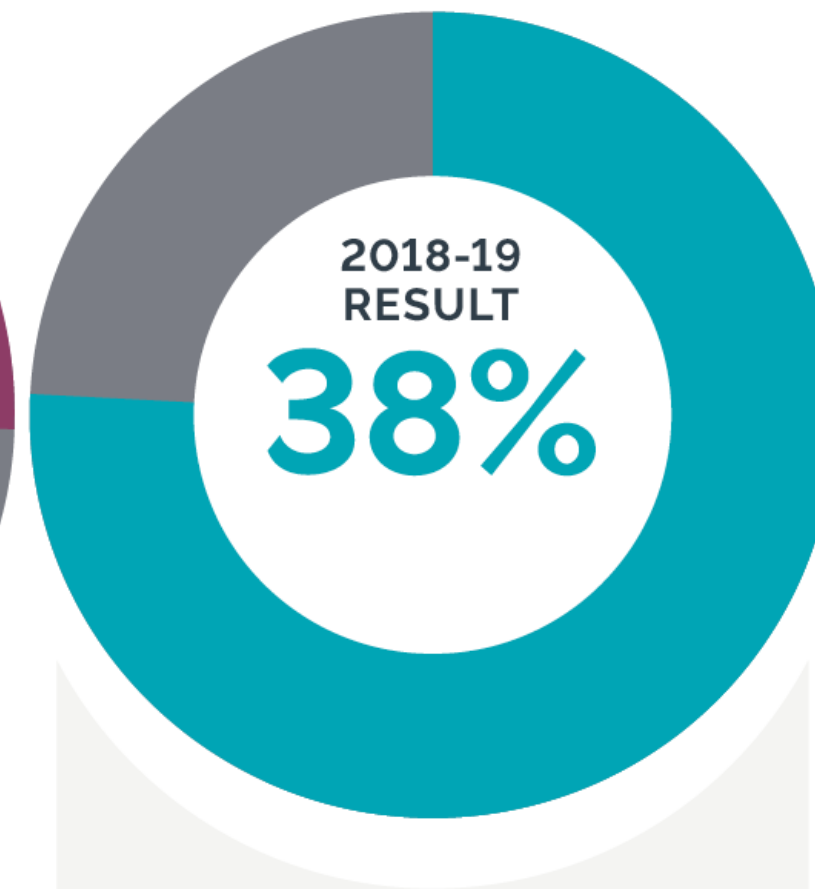
100% of all Australia's packaging will be reusable, recyclable or compostable by 2025 or earlier

TARGET
100%



70% of Australia's plastic packaging will be recycled or composted by 2025

TARGET
70%



50% average recycled content will be included across all packaging by 2025

TARGET
50%

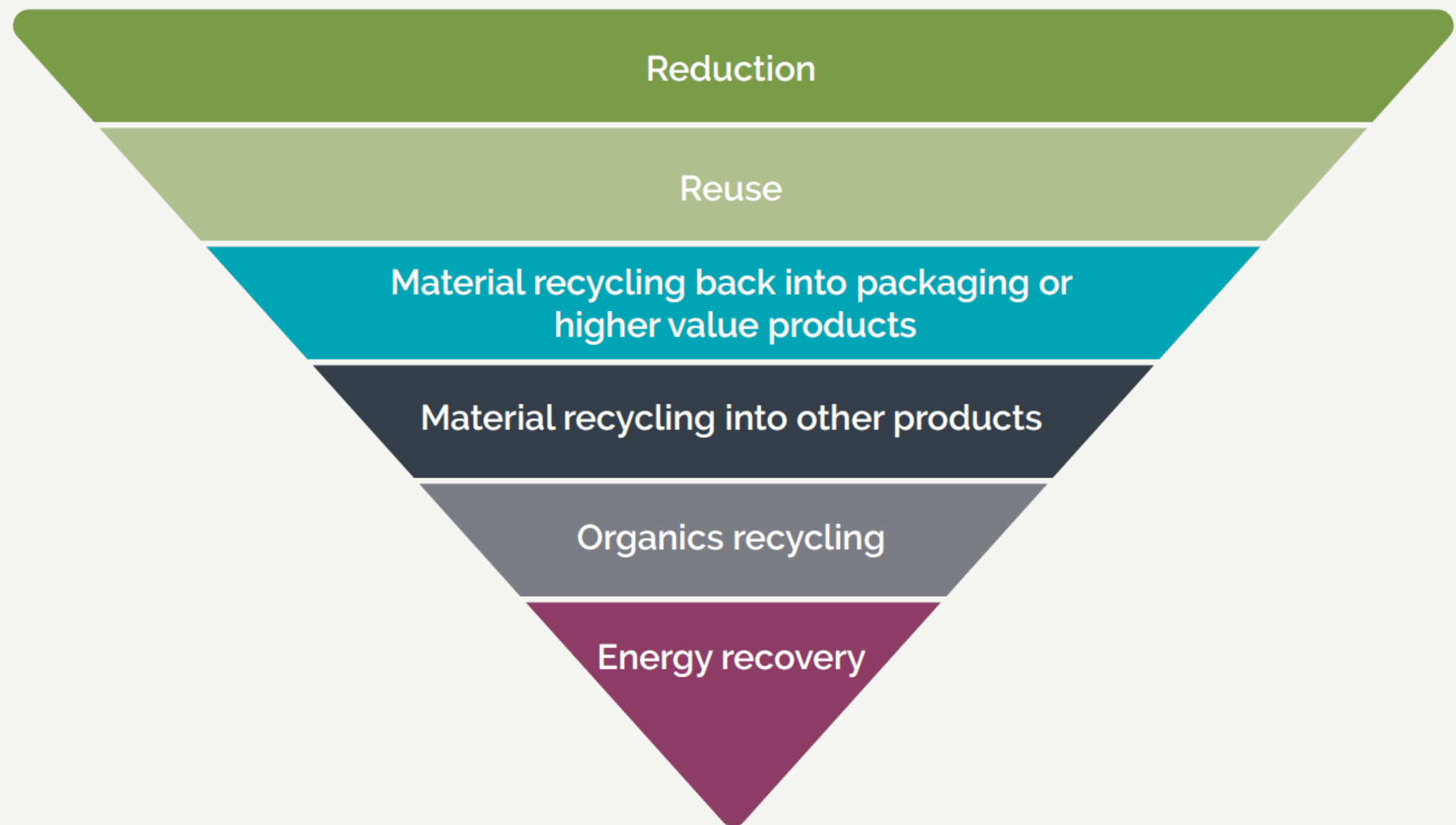


Problematic and unnecessary single-use plastic packaging will be phased out

TARGET
PHASE OUT

Circular procurement and the market for recycled materials in Australia

Implementing the waste heirarchy



Sustainable Packaging Guidelines

Version 2 - Updated June 2020

SUSTAINABLE PACKAGING GUIDELINES

SPGS

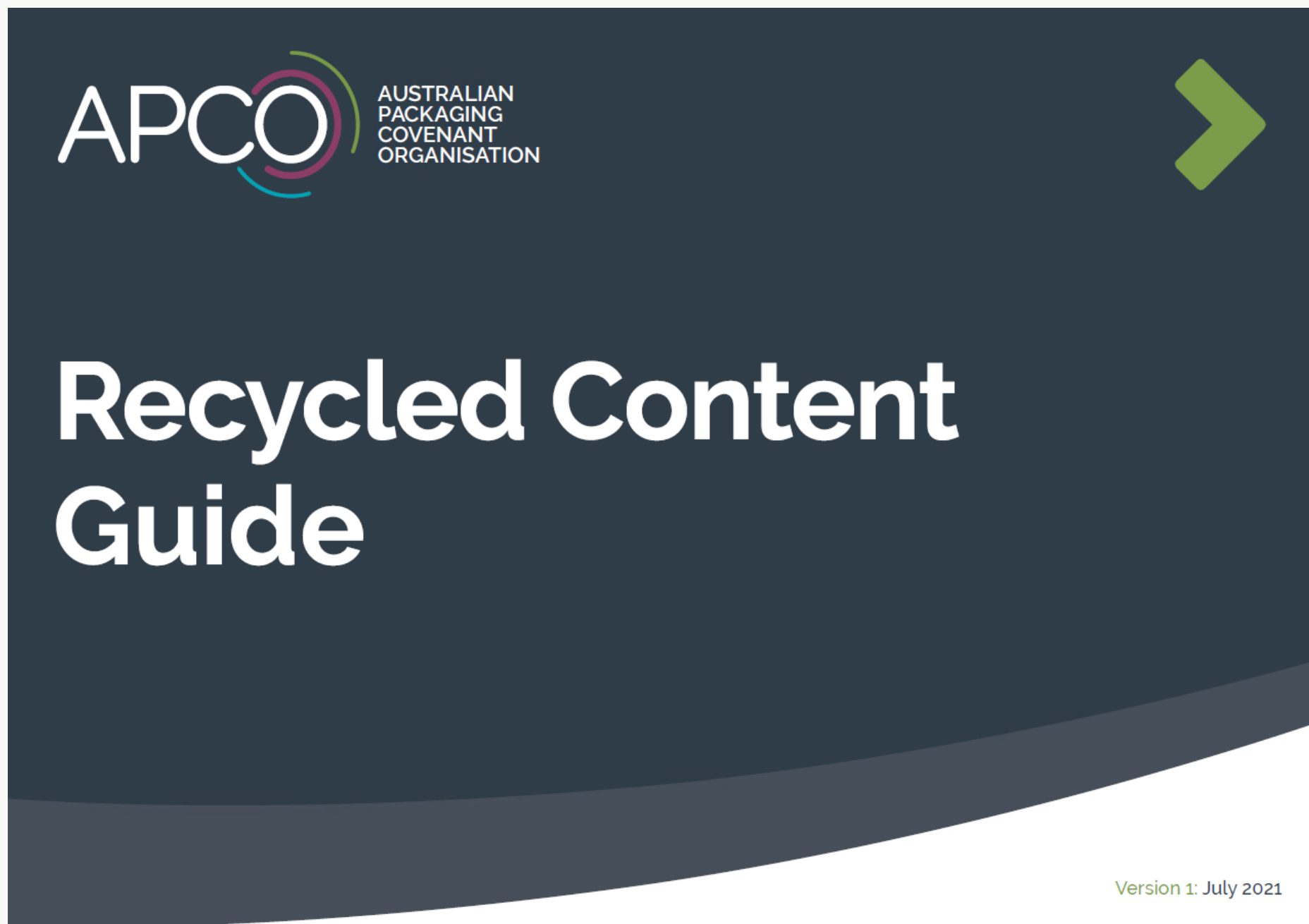
- Establish 10 Principles for sustainable packaging:
 - Design for recovery
 - Provide information on sustainability
 - Optimise material efficiency
 - Design to reduce product waste
 - Eliminate hazardous materials
 - Use recycled materials
 - Use of renewable materials
 - Design to minimise litter
 - Design for transport efficiency
 - Design for accessibility

Source: [http://documents.packagingcovenant.org.au/public-documents/Sustainable%20Packaging%20Guidelines%20\(SPGs\)](http://documents.packagingcovenant.org.au/public-documents/Sustainable%20Packaging%20Guidelines%20(SPGs))

Reusable packaging systems

- **Models for reusable business-to-consumer packaging:**
 - Refill at home
 - Return from home
 - Return on the go
 - Refill on the go
- **Chep: Case study in reusable business-to-business packaging:**
 - Replacing disposable packaging with reusable pallets, crates and containers
 - Minimising use of cardboard for transportation and display purposes
 - Recovery and repair programs

Recycled Content in Packaging



- Launched July 2021
- Designed to support the growing number of individuals and companies considering ways to include recycled content in their packaging.

What's inside the Guide?

Part 1

Overview of Recycled Content in Packaging

- Information on what recycled content is
- Why it's important
- Details on barriers and environmental benefits
- Steps to use more recycled content

Part 2

Incorporating Recycled Content by Material Type

- Specific information on each material type
- What are the key considerations
- Details on application, performance and appearance

Recycled Content Targets: Plastic packaging

In 2020 APCO revised the 2025 National Packaging Targets, increasing the overall Target from 30% to 50% recycled content

- In Australia, the plastics recycled content rate is the lowest of all material types at an average of 2%
- Action is needed to increase the number and capacity of plastics reprocessors who will produce material in the volumes and quantity suited for packaging.

Plastics	2%	20%
PET	12%	30%
HDPE	2%	20%
PE	3%	20%
Flexible Plastics	Unknown	10%

Specifications for recovered polymers

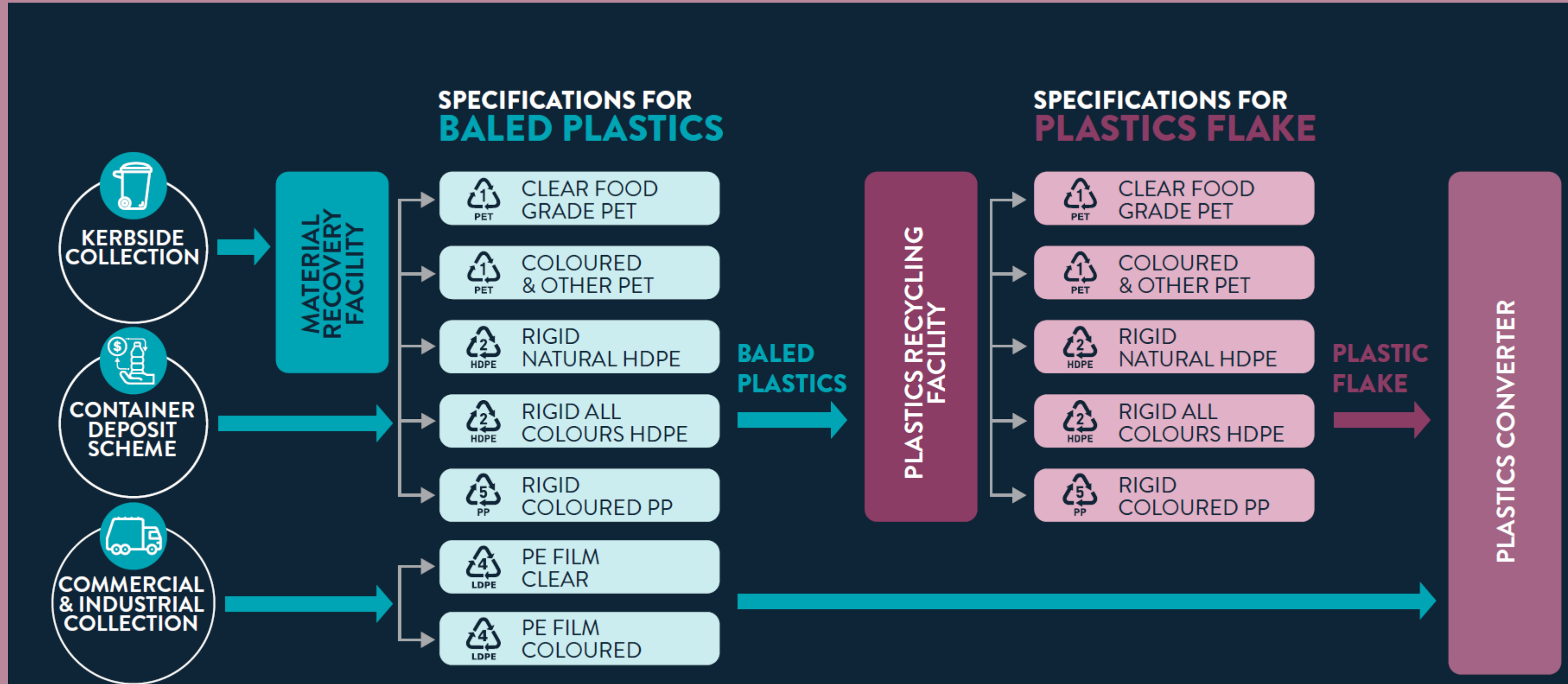
- Developed by APCO as an initiative of the 2020 APCO Materials Circularity Working Group
- Achieving the recycled content targets would require a stronger focus on quality standards throughout the value chain

Version 1.0 - June 2021

RECOVERED POLYMER SPECIFICATIONS



How will the specifications support the recovery process?



Other initiatives

- **Recycled content label**
 - To be launched late 2021
 - Evidence-based, on pack information for consumers
- **Traceability standard**
- **Pledge program**
- **Member and partner initiatives e.g. sectoral projects, REDcycle, Nestle**

Compostable packaging

- National Compostable Packaging Strategy released in June 2021
- Created in partnership with ABA & AORA
- Clarity and strategic direction
- Support recovery of food waste
- Identify actions that will help to ensure that compostable packaging is recovered at end-of-life



Recycled content in infrastructure

- **Recycled plastics in road construction**
 - Existing practice e.g. Downer and Close the Loop: TonerPlas
 - Development of standards for use by state and local governments: Austroads/RMIT, ARRB
- **Recycled plastics in roadside infrastructure**
- **Recycled crushed glass in road base and concrete**
 - Existing practice
 - Process to consider standards development

Recycled content in other products

- **Mixed polymer recycling, e.g.**
 - Plastic Forests (Albury NSW)
 - Newtecpoly (Moama NSW)
 - Integrated Recycling (Mildura Vic)
 - Envorinex (Bell Bay Tas)
 - RePlas (Melbourne Vic)
- **Single polymer recycling, e.g.**
 - RPM Pipes (Kyabram, Vic)
 - Pact Group planned PET plant (Albury NSW)

APCO Report: Supporting Government Procurement of Recycled Materials

Circular procurement

- November 2020 Report on opportunities for government procurement of recycled materials
- Challenges faced by governments:
 - Information on products
 - Business case
 - Embedding recycled content into procurement processes

NOVEMBER 2020

SUPPORTING
GOVERNMENT
PROCUREMENT OF
**RECYCLED
MATERIALS**

Supporting Government Procurement of Recycled Materials

Objective

- To help stimulate demand for recycled materials by supporting governments, particularly local and state governments, to include recycled materials in their procurement practices
- First, understand what sort of assistance would be useful:
 - What are governments trying to achieve?
 - What stages of the procurement process are relevant?
 - What are the critical information and capability gaps?
 - How, when and where will the information used?

Identifying critical challenges in incorporating recycled content into procurement practices



Identifying critical challenges in incorporating recycled content into procurement practices



Next steps

- **Community of practice**
 - Procurement practitioners
 - Sharing information on successful/unsuccessful approaches
 - Identifying information needs
 - Business case development, identification and prioritisation of opportunities
- **Community of interest**
 - Procurement practitioners and material and product suppliers
 - Improving communication about standards, performance, buyers' needs and expectations, opportunities

Thank you



APCO

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