

## The Packaging Forum

### Submission to the Ministry for the Environment

### RE: Reducing the impact of plastic on our environment – Moving away from hard-to-recycle and single-use items

#### Introduction

The Packaging Forum is New Zealand's leading member-based organisation representing the depth and breadth of the packaging industry, with more than 200 member brands.

**We have the vision that by 2025, all packaging in New Zealand will be reusable, recyclable or compostable.**

We work together as an industry to ensure the best commercial and sustainable solutions are found. The Packaging Forum operates three government-accredited voluntary product stewardship schemes:

- Glass Packaging Forum
- Soft Plastic Recycling Scheme
- Public Place Recycling Scheme (operating under our Litter and Recycling Advisory Group)

It also has three additional Technical Advisory Groups with workstreams underway;

- Fibre-based packaging
- Compostable packaging
- Recyclability labelling

We would welcome the opportunity to speak in support of our submission before the Environment Committee.

#### Position on reducing the impact of plastic

**The Packaging Forum is dedicated to helping its members achieve the vision stated above and as such welcomes the proposed phase-out in principle.**

#### Holistic approach

However, we support a holistic approach to all single-use packaging in order to avoid any unintended negative impacts from switching to alternatives that may also have post-consumer challenges.

We acknowledge that this proposal is one of a number of pieces of work MfE is undertaking on waste that will impact each other. We hope to see a cohesive approach that brings them all together and engagement with The Packaging Forum and other stakeholders that will deliver improved environmental outcomes for all single-use packaging.

### **Recycling infrastructure development**

We believe any phase-out must go hand in hand with the development of recycling and end of life infrastructure for alternative materials. This could be through a mix of direct government funding, public/private partnerships and a business environment that incentivises research and investment.

### **Risk of negative unintended consequences**

When identifying materials and/or items for phase-outs we believe it is important to include full life cycle analysis of all packaging items (and possible alternatives) as well as food safety aspects.

Care must be taken to avoid unintended consequences through a largescale move to alternative packaging materials without standards, labelling and end-of-life solutions being in place. Impacts such as reduced export opportunities, reduced shelf life (leading to food waste), food safety issues, or the possibility that alternatives may have high carbon emissions and/or low recyclability due to lack of infrastructure or overseas markets must be taken into account.

For example, while the public and those without the technical knowledge may see compostable packaging as something of a 'silver bullet' is also has challenges:

- There is no defined use-case for compostable packaging for industry to base its packaging decisions on
- No New Zealand standard for different types of compostable packaging (material type and standards for compostability in NZ context),
- An unknown level of risk for composters from inks/new material types/barrier-enhancing additives, microplastics and general contamination
- Compostable packaging is not approved as an input for organic certified composters
- There are varying requirements for home compostability based on region (temperature) and type of composting unit used, not enough is known about how much packaging a home composter can process
- Compostable packaging itself adds little nutritional value to compost and is therefore still single-use packaging
- Compostable packaging requires future innovation to resolve existing issues around barrier properties and shelf-life in some applications (such as chilled foods)

Fibre board packaging also presents challenges in terms of its recyclability following China and other countries closing their doors to our recyclables, and limitations on capacity to process and purchase recycled fibre onshore. Onshore investment would be required to fill the void and prevent recyclable fibre from going to landfill

The Forum has established compostable packaging and fibre-based packaging technical advisory groups which are investigating solutions for these challenges to remove the barriers across the supply chain.

### **We have some particular concerns regarding this consultation:**

1. While the descriptions of costs and benefits to stakeholders have been correctly identified, the impact assessment appears to be based on very little evidence.  
We believe a full cost benefit analysis that follows Treasury guidelines is required in order to assess the impact on business of re-tooling, redesigning and testing new packaging, and any



possible impact on food safety, shelf life and cool-chain, particularly for export items.

2. This proposal overlaps work that is being done by industry in response to the declaration of single use plastic packaging as a priority product, which requires a product stewardship solution.

The development of in-depth cost benefit analysis of scenarios may sit more suitably with the work of developing comprehensive product stewardship solutions.

3. Apparent lack of alignment with other pieces of work.  
E.g. Requiring producers to make a costly move to a more easily recyclable material when their packaging falls under the size threshold for collection in the Recommendations for the Standardisation of Kerbside Collections in Aotearoa.  
More certainty is required in this area, as there is no environmental value in incurring cost to change resin types on items that will not in practice be collected and recycled.
4. While there is acknowledgement that there will need to be exceptions, more detail needs to be developed around criteria and decision making. This is particularly the case for packaging which maintains the integrity of the contents, e.g. many export items that are required to be kept cool for longer periods, e.g. high impact polystyrene yoghurt pots.
5. More certainty is required on any plans for further phase outs (we note the consultation calls this phase out a starting point). Business must be certain that the level of investment required will be justified by the life of the investment.

### Ministry for the Environment consultation: Reducing the impact of plastic on our environment: moving away from hard-to-recycle and single-use items

#### **1. Do you agree with the description in this document of the problems with hard-to-recycle plastic packaging and single-use plastic items? If not, why?**

**PF position:** Yes

#### **2. Have we identified the correct objectives? If not, why?**

**PF position:** Yes, in principle. However we note the document says that these phase outs are a starting point. Industry needs more certainty about what future phase outs might be being considered before investing in costly alternatives which will require a long-term return on investment.

#### **3. Do you agree that these are the correct options to consider? If not, why?**

##### **Options for shifting away from hard-to-recycle and single-use plastics**

- Option 1: voluntary agreement or pact with industry and business
- Option 2: plastic reduction targets
- Option 3: labelling requirements
- Option 4: levy or tax
- Option 5: product stewardship



- Option 6: mandatory phase-out
- Option 7: mandatory recycled content for hard-to-recycle packaging
- Option 8: continue as usual and rely on voluntary action.

**PF position:** Yes

**4. Have we identified the right criteria (including weightings) for evaluating options to shift away from PVC and polystyrene packaging, oxo-degradable plastics and some single-use items? If not, why?**

**PF position:** Yes in principle. We agree with the criteria identified, however more clarity is required around weightings, taking into account risks of alternatives, particularly around quality, consumer safety and cost.

**5. Do you agree with our assessment of the options, and our decision to take forward only one option (a mandatory phase-out)? If not, why?**

**PF position:** Yes

**Comment:** We agree that Option 8 – “continue as usual and rely on voluntary action” and option 7 – “mandatory recycled content” are unlikely to be effective for the plastic types targeted by this phase out.

However, some of these options such as labelling and setting targets for post-consumer recycled content may have their place in implementing solutions for other plastic or non plastic packaging types. Investing in recycling infrastructure and sorting technologies should also be considered as complimentary to these options. Increasing the cost of landfill levies and implementing well designed, evidence-based product stewardship schemes on an extended producer responsibility model are levers that should be considered as a way to reduce the environmental impact of other single-use packaging.

Cost is an effective way of expediting change. Business will be forced to change as not changing will make them less competitive. E.g.: full use of end-of-life recycling or disposal costs need to be built into all materials, whether the mechanism is a tax or product stewardship, however product stewardship is a better mechanism to address the entire life cycle of a product.

**Proposal 1: Phase out hard-to-recycle plastics**

**6. Do you agree with the proposed phase-out of PVC and polystyrene packaging as set out in two stages (by 2023 and by 2025)? If not, why?**

**PF position:** Yes, in part. We do have some concerns that the 2023 timeframe in particular may not be achievable for companies that require substantial R&D and heavy investment in multiple packaging lines.

**7. Have we identified the right packaging items that would be covered by a phase-out of PVC and polystyrene packaging? If not, what would you include or leave out, and why?**

**PF position:** Yes, in principle.



While the correct packaging items have been identified, the phase-out needs to include solutions for alternative packaging which will be fit for purpose and avoid unintended consequences.

For food that needs to be kept chilled and for long distances there is currently no proven replacement to polystyrene, therefore we could threaten our food export market if alternatives that are as reliable/safe are not found by phase out.

For some plastics overall use case is as important as resin type. For example, as noted in the consultation document, LDPE has viable alternatives in rigid plastics, but is difficult to replace in soft plastic.

For this reason, we are pleased to note that there is allowance for potential exemptions. We believe to be objectively fair the parameters for exemption status must be clear from the outset and the process for deciding exemptions must be transparent and timely.

**8. Do you think we should include all PVC and hard polystyrene packaging in stage 2 of the phase-out (e.g., not just food and beverage and EPS packaging)? Please explain your answer.**

**PF position:** Largely yes

**Notes:** The Packaging Forum prefers a materials based approach, where a solution applies to all uses of a particular material. However we believe there will be use cases that warrant exemption. As per our answer to question 7, we believe the parameters and process for deciding these must be clear, transparent and timely.

**9. What would be the likely costs or benefits of phasing out all PVC and polystyrene packaging (hard polystyrene and EPS) by 2025?**

**PF position:** The major benefits would be the reduced environmental impact and greater social licence for businesses to operate.

Costs would likely come in the form of trialling and retooling as part of a move to alternative packaging materials. The extent of these costs is not easily predictable and requires more investigation.

Without a detailed cost benefit analysis that complies with Treasury guidelines, it is not possible to quantify the costs or how they could be mitigated. We strongly endorse such a cost benefit analysis being undertaken.

As noted in our introduction, there is a strong risk of unintended environmental consequences without parallel investment in developing recycling/composting infrastructure for alternative materials. This investment must form part of the overall strategy.

**10. Do you believe there are practical alternatives to replace hard-to-recycle packaging (PVC, polystyrene and EPS)? If not, why?**

**PF position:** For the most part we believe there are. However there are specific use cases where functionality in terms of quality, safety and shelf life cannot be replicated by alternatives. This is where the correct criteria and a robust process for exemptions is vital.

Exempted products could be managed through regulated product stewardship.

**11. Do you agree with a mandatory phase-out of all oxo-degradable plastics by January 2023? If not, why?**

Yes. We believe these are a poor alternative to recyclable plastic or other packaging materials which have the potential (if not as yet the existing infrastructure), for circular end of life solutions.

**12. If you manufacture, import or sell oxo-degradable plastics, which items would a phase-out affect? Are there practical alternatives for these items? Please provide details.**

The Packaging Forum has no position on this question.

**13. Have we identified the right costs and benefits of a mandatory phase-out of the targeted plastics? If not, why not? Please provide evidence to support your answer.**

PF position: Yes

**14. How likely is it that phasing out the targeted plastics will have greater costs or benefits than those discussed here? Please provide details to explain your answer.**

As stated previously The Packaging Forum broadly supports the proposed phase-out.

However members have expressed concerns that there may be unforeseen costs and/or impacts, in terms of economic, environmental and social outcomes if adequate alternative solutions are not available or able to achieve the desired outcome.

We note that the ministry acknowledges the limitation of the analysis done to date and The Forum would welcome the opportunity to engage in further dialogue and analysis following this phase of the consultation.

We believe a robust cost benefit analysis carried out in accordance with Treasury guidelines forms an essential part of this process.

There is no mention in the costs for waste processors of the unintended consequence of having more unregulated fibre and compostable packaging in the marketplace. This will either cost the processors, recyclers and/or composters who will receive more product to process, if brands switch to compostable or problematic fibre (with additives) packaging because their plastic packaging is banned.

**15. What would help to make it easier for you and your family, or your business/organisation to move away from hard-to-recycle plastic packaging and use higher value materials or reusable/refillable alternatives?**

Government regulation, such as priority product status and clarity around any mandatory phase-outs is vital as it levels the playing field and sends a clear signal to industry and consumers, as well as to those in a position to invest in recycling infrastructure or the manufacture/import of alternatives.

It is imperative these be accompanied by an environment that encourages investment in onshore infrastructure to create circular solutions in New Zealand.

Funding or financial/tax incentives for companies making costly transitions should also be considered.



Regardless of how recyclable an item is, consumers still need to understand and be motivated to ensure it ends up in the correct recycling stream and not as litter or contamination in an inappropriate material stream. Consumer education and behaviour change will also be key to an effective transition. Consideration needs to be given to the mechanisms and channels to achieve this.

## Proposal 2: Take action on single-use plastic items

### **16. What do you think about the proposed mandatory phase-out of some single-use plastic items (see table 7)?**

The Packaging Forum agrees with the proposed phase-out of single-use items

Plastic bread tags and non-recyclable coffee cups were suggested by members as potential targets for future phase-outs, with more investigation required.

### **17. Do the proposed definitions in table 7 make sense? If not, what would you change?**

Largely yes.

For non-compostable produce stickers we believe the wording should be adjusted from “partly or wholly of plastic that is not compostable” to “partly or wholly from material that is not compostable.”

Some members expressed concern produce bags would be heavy-weighted to avoid the phase out. However our two largest grocery retail members, Countdown and Foodstuffs are both supportive of phase out, with Foodstuffs noting that they support the phase out with an exemption for pre-packaged produce and barrier bags which prevent cross contamination or leakage between grocery types (e.g. cleaning products and fresh food).

### **18. What would be an appropriate phase-out period for single-use items? Please consider the impact of a shorter timeframe, versus a longer timeframe, and provide details where possible.**

- 12 months
- 18 months
- 2 years
- 3 years
- Depends on the item
- Other

2 years. On the whole our members believe that two years strikes a balance between urgency and the need for well thought through responses.

While the intention of Government to reduce hard-to-recycle and single-use plastic items has been clear for some time, this proposal gives certainty to the parameters and timeframe we are working towards.

The single-use shopping bag ban is an example of industry taking action before the phase-out began, and we may well see the same momentum with this proposed phase-out for at least some of the items.



**19. What options could we consider for reducing the use of single-use coffee cups (with any type of plastic lining) and wet wipes that contain plastic? You may wish to consider some of the options discussed in this consultation document or suggest other**

A combination of supporting work to develop alternative cups and wet wipes (as well as the systems and infrastructure which must go with them). Alongside this there could be an expansion of returnable/reusable cup schemes/organisations and education on alternatives to wet wipes e.g. reusable cloths.

This is an example of where a well-designed product stewardship scheme for redesigned items could achieve the desired outcome.

**20. If you are a business involved with the manufacture, supply, or use of single-use plastic coffee cups or wet wipes (that contain plastic), what would enable you to transition away from plastic based materials in the future?**

National infrastructure for on-the-go and kerbside recycling. Clear signals from the government on any regulatory intentions.

Compostability of cups seems the most likely solution to pursue as items would be too contaminated for fibre recycling. Alternatives to wet wipes that don't contain plastic will require another end of life solution, due to possible faecal and chemical contamination.

This must of course be accompanied by the necessary systems and infrastructure as well as a recognised and robust compostability standard. Work and investment across the supply chain – from manufacture to end of life processor e.g. composter or other diversion system – would be necessary.

The Packaging Forum is already engaged in this work through our Compostable Packaging Technical Advisory Group.

**21. What do you consider an appropriate timeframe for working toward a future phase out of plastic lined disposable coffee cups and wet wipes containing plastic?**

3+ years, with milestones along the way, would be required to establish a robust solution. Clear signals on intent from government would assist in ensuring stakeholder engagement in arriving at a solution.

Given that compostability seems the most viable end of life solution, there are currently a number of barriers to address:

- The lack of current commercial-scale solutions
- No New Zealand standard or requirements for compostable products to meet around additives/ingredients
- Insufficient collections infrastructure
- Few commercial composters which accept this material or alternative end of life processing opportunities
- Varying requirement for home compostability

We believe to address them successfully any timeframe must include:

- Engagement with stakeholders across the supply chain



- Work to identify an appropriate compostable packaging standard
- A pathway to fund the development of nationwide infrastructure, through product Stewardship or other mechanisms
- Development of the infrastructure

We note that there are several organisations doing work in this space, including The Packaging Forum's Compostable Packaging Technical Advisory Group, however more cross-organisation co-ordination is required.

**22. Have we identified the right costs and benefits of a mandatory phase-out of single-use plastic items? If not, why? Please provide evidence to support your answer and clarify whether your answer applies to a particular item, or all items**

Yes, although once again, we urge that a full cost benefit analysis following Treasury guidelines should be undertaken.

**Compliance, monitoring and enforcement of regulations**

**23. How should the proposals in this document be monitored for compliance?**

In reality this will be a multi-pronged approach. We believe that as with the plastic bag ban, consumers will be the best advocates for reporting non-compliant retailers to the regulatory body. The regulatory body will need to be resourced appropriately to enable robust, transparent and timely processes. ConsumerNZ would be vigilant regarding false marketing claims.