

PROCUREMENT OF RECYCLED MATERIALS

Introduction

As Australia works towards the 2025 National Packaging Targets, it is important for businesses to consider opportunities to procure recycled products and materials within their packaging supply chain by undertaking research and pilot projects. This action supports the 2025 Target of **30% average recycled content across all packaging**.

This case study highlights an example of procuring products made from recycled soft plastics; a problematic packaging material in Australia. APCO Member, Simplot Australia Pty Ltd, are focused on identifying opportunities to purchase products and packaging containing recycled materials.

Soft plastics in Australia

Soft plastics, also often known as flexible plastics, are generally defined as plastics which do not hold a shape when scrunched. In most cases, soft plastics are made from low density polyethylene (LDPE), linear low-density polyethylene (LLDPE), high density polyethylene (HDPE) or polypropylene (PP)¹.

The amount of soft plastic packaging used in Australia is estimated to be approximately 300,000 tonnes annually², however the recycling rate for this material is relatively low, with approximately 14% recycled in 2015-16³. Although technically recyclable, no Material Recovery Facilities (MRFs) in Australia are equipped to process these materials and therefore the material often causes contamination and problems with the equipment⁴.

There are however some alternative collection and processing facilities currently operating in Australia, as a recycling stream for soft plastics. This is an important step towards Australia's 2025 National Packaging Targets, for **70% of plastic packaging to be recycled**.

Collaboration between soft plastic collection operators, recyclers, manufacturers and brand owners is especially important, in generating an end market for recycled soft plastics.

¹ APCO (2019), *Soft Plastic Packaging Working Group 2018* <https://www.packagingcovenant.org.au/documents/item/2179>

² Metropolitan Waste and Resource Recovery Group (2017), *Introduction of Flexible Plastic Packaging in Kerbside Recycling Services*, <https://www.mwrrg.vic.gov.au/assets/resource-files/Flexible-Plastics-in-Kerbside-Recycling-Final-Report-FINAL-20170616.pdf>

³ O'Farrell, K (2016), *National Recycling and Recovery Survey (NRRS) 2015-16 for plastics packaging (IND 299/16)*, Envisage Works, <https://www.packagingcovenant.org.au/documents/item/1070>

⁴ APCO (2019)

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Decision making processes

A commitment to sustainability has long been a key part of the Simplot business philosophy. Simplot Australia is a leading Australian food manufacturer and the home of many of Australia's favourite food brands including iconic brands such as Birds Eye, Leggos, Chiko and Edgell.

Simplot is steadfast on their focus to *"work towards producing more with less of earth's resources, as this is seen as good for both their business and simply the right thing to do"*⁵.

When looking at the key packaging materials used by the organisation, Simplot realised that consumers of their products had very limited opportunities to recycle their soft plastic packaging. This together with their focus on respect for resources inspired them to get on board with the REDcycle program, an Australian recovery initiative for post-consumer soft plastics.

Simplot quickly recognised their commitments and operations were closely aligned with the REDcycle program. This was further strengthened by one of Simplot's key customers, a major Australian supermarket, who was also part of the industry led initiative for the collection of soft plastics packaging.

Simplot also saw an opportunity to take a leadership role in influencing the industry more broadly. They saw the need for industry to start taking responsibility for their products and packaging.

After joining REDcycle, Simplot took the initiative to work with their packaging suppliers and encouraged them to also be part of the soft plastics initiative. To achieve this, they organised meetings between REDcycle and their key packaging supplier to ensure ongoing collaboration both up and downstream in their supply chain.

Involving additional parts of the supply chain was a positive step to help spread the message about the existence and importance of programs such as REDcycle, for the collection and recovery of soft plastics.

To help support the REDcycle program, Simplot understood that there had to be a market for the products that were derived from the recycled soft plastic.

⁵ Simplot Australia Pty Ltd (2016), *Our Commitments*, <https://www.simplot.com.au/sustainability/our-commitments>

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Supporting the purchase of recycled content

Simplot held a number of supplier nights with REPLAS, a mixed recycled plastic manufacturer who work in partnership with REDcycle to produce a range of recycled plastic products. Seeing their used packaging, returned to store and converted into useful products that have great benefits (including stability and longevity), got them thinking of these bags as a resource, rather than waste. Simplot have since purchased a number of REPLAS products including parking hardware and tables and benches for staff break-out areas.



“Reframing thinking in this way was such a key turning point for us. It would be great to see our entire country get on board so that we turn these materials from waste into a resource”

Says Simplot's Group Packaging and Process Improvement Manager, Jason Goode.

“When we put the tables, benches and parking hardware in the business, they generated a lot of discussion, both from Simplot employees, as well as customers and suppliers when they came on site.”

Separately, Simplot continues to look at other opportunities within their business that could incorporate recycled plastics. This has included making changes to slip sheets, which are used to transport pallets of products around Australia, previously they were produced from virgin materials, but are now produced using recycled materials.

In addition, Simplot is currently exploring the option of using recycled plastics in shrink and stretch films, with the aim to understand physical performance, appearance and commercial feasibility. Simplot's deep respect for the environment sees them continue to work closely with their customers and partners to help drive the market for recycled soft plastics.

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Buying recycled - what you can do

The purchase of products and packaging with recycled content can help to stimulate demand for recycled materials, reduce demand on virgin resources, and divert valuable resources from landfill.

To support this, your organisation could:

- Have a 'Buy Recycled' policy to ensure that the purchase of recycled materials is embedded within your business, with clear communication to staff and stakeholders.
- Join programs, such as REDcycle, to support the collection and recycling of materials, which are currently not readily recyclable through kerbside recycling systems in Australia.
- Collaborate with suppliers to investigate options to increase recycled content in packaging or products. To strengthen this you can also include in tender processes, the requirement for recycled content in packaging or product when possible.
- Investigate other areas in your business where you can purchase products containing recycled content – for example, in office stationery, outdoor furniture, car stoppers in car parks, etc. Encourage your suppliers or customers to do the same.
- Share the message – we all have a role to play in spreading awareness of the importance of buying recycled products and packaging. Engage your internal teams and supply chains on this journey.

More information

For more information about joining the APCO community visit www.packagingcovenant.org.au

For more information on Simplot Australia visit www.simplot.com.au

For more information on REDcycle visit www.redcycle.net.au

For more information on Replas visit www.replas.com.au

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Share your story with APCO so we can pass your learnings on to other APCO Members.

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