Version 1: November 2023

The Future of Packaging

Workshop outcomes



AUSTRALIAN PACKAGING COVENANT ORGANISATION

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Context



The workshop

On the 2 November 2023, the Australian Packaging Covenant Organisation (APCO) held a workshop titled 'The Future of Packaging'. The focus of the session was to allow collective discussion on the changing packaging landscape in Australia.

Attendees were allocated to tables based on sector (where possible) and together they **conducted a SWOT analysis** – looking at strengths, weaknesses, opportunities and threats to their industry (and individual businesses) in the context of the changing landscape. **Attendees also identified potential solutions** that they could do to overcome the threats and weaknesses they identified.

Purpose of this document

This document provides a summary of the SWOT analysis outcomes and solutions identified by the attendees. This document also provides detail on the actions APCO is taking that align with these identified solutions.

Context



Participants

Over 130 industry participants from a range of backgrounds attended the event:

- Packaging manufacturers and suppliers
- Food & Beverage
- Pharmaceutical
- Electronics
- Recyclers
- General merchandise and apparel
- Raw material suppliers
- Retail
- Personal care
- Hardware and machinery
- Consultants





SWOT analysis outcomes

The following 'SWOT analysis' pages show a summary of the strengths, weaknesses, opportunities and threats identified by attendees at 'The Future of Packaging' workshop on 2 November 2023. The workshop was broken into two rooms due to the large number of attendees.



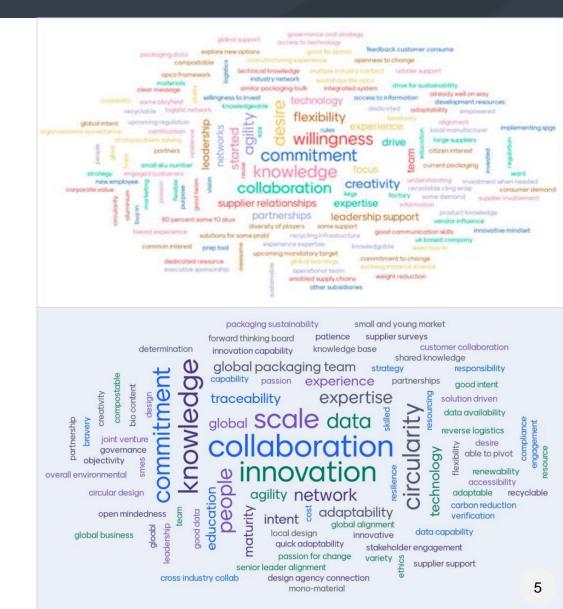
Before attendees discussed these at their tables, all individuals in attendance were asked to fill in their strengths, weaknesses, opportunities and threats as individuals via a Menti Survey. These results are displayed as word clouds on the right-hand side of the following pages of this document.

This SWOT analysis was conducted in the context of expected regulatory changes regarding packaging design and sustainability in Australia in the near future.



Strengths

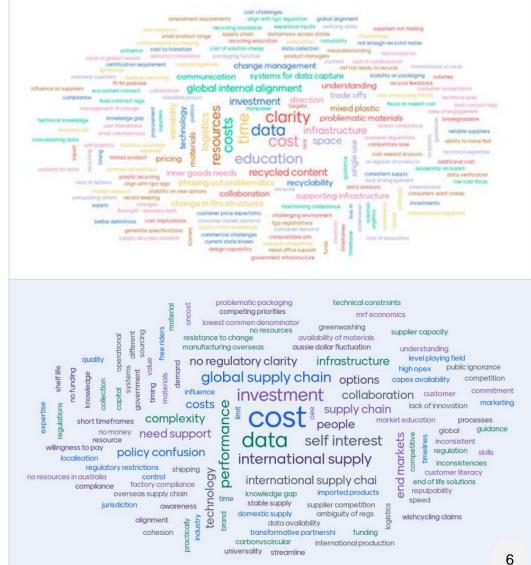
- Commitment to sustainability and executive level support
- Internal knowledge & capability
- Collaboration and strong supplier relationship
- Access to new technologies and innovation
- Ability to learn from other organisations/countries
- Scale and level of influence
- Strong data
- Agile
- Consumer engagement





Weaknesses

- Lack of consistency In regulations, standards, recycling infrastructure, and local vs. international markets
- Lack of control • Including issues with size and engaging international supply chains
- Lack of experience/knowledge/resources
- Limited funds/impact of cost
- Poor data
- Consumer understanding and trust Issues with greenwashing
- No viable alternatives at this point





Opportunities

- Innovation & move to more sustainable outcomes
- Harmonisation
- Improved collection, recovery and end-markets
- Increase education
- Consumer engagement and marketing opportunities
- Incentives and cost savings
- Collaboration
- Product stewardship and extended producer responsibility
- Streamlined data collection





Threats

- Complexity of requirements
- Cost •
- Potential adverse impacts due to need to change packaging
- System isn't ready for change yet
- Greenwashing and lack of education
- Lack of alignment/harmonisation
- Impact to product safety
- Lack of enforcement of regulation
- Lack of incentives



Solutions



Developing solutions

The following 'Solutions' pages provide a summary of the solutions that workshop attendees came up with to their identified threats and weaknesses in the context of the changing packaging landscape in Australia. The first three pages of solutions were based on what attendees identifying they themselves could do.



Though out this work, attendees also identified several solutions that would require support from others such as government, APCO and industry associations. These have been summarised in the following pages and will be shared with the relevant bodies for consideration.

Solutions – for attendees to action



Threat/Weakness: Cost to business Solutions:

- Economy of scale through collaboration.
- Creating confidence in investment sharing infrastructure capacity, consumer impact etc.
- Consider short term losses for longer term wins.
- Co-investment.
- Work through "low-hanging fruit" opportunities first.

Threat/Weakness: Poor quality data Solutions:

- Developing supply chain templates for data input to be used across the industry.
- Development of standards and/or use of existing standards.
- Use of procurement policies require data to be provided.
- Collaboration with supply chain.
- Alignment to other data reporting requirements.

Solutions – for attendees to action

Threat/Weakness: Lack of knowledge Solutions:

- Setup sustainability committees internally.
- Involve all levels of the organisation.
- Ensure resources and communications are simple and easy to digest.
- Businesses to tailor the SPGs to their needs.
- Develop an activation checklist of who needs to be involved.
- Engage with local governments.
- Ensure resources to support informed packaging design choices are accessible and standardised.

Threat/Weakness: Insufficient resourcing Solutions:

- Get buy-in from executive level.
- Ensure sustainability activities considered in budgets.
- Reinvent cost savings into sustainability targets.
- Set ambitious targets linked to KPIs across the entire business.
- Collaboration across industry sharing learnings and finding solutions together.

Solutions – for attendees to action



Threat/Weakness: Consumer education Solutions:

- Providing visibility on where packaging goes.
- Provide education on contamination and its impacts.
- Consider demographics in marketing.
- Use digital assets.
- Be consistent in communications.
- Ensure budget is considered for marketing regarding recycling labelling.

Threat/Weakness: Food safety Solutions:

- Reassess where recycled content is used and how.
- Develop clear definitions.
- Align with standards.
- Require mandatory testing for PFAS to prevent unindented consequences.
- Prioritise design considerations based on proposed regulations.

Solutions – for others to action

APCO

Threat/Weakness: Regulation

Solutions:

- Harmonisation in standards and legislation between jurisdictions. E.g. single-use plastic bans.
- Input from industry associations send consistent messaging to government.
- Access to (and alignment with) global standards.
- Mandatory reporting for brands.
- Set design standards with alignment for the whole supply chain.
- There must be a market available to buy back recycled content.
- Working with other regulations/bodies that impact packaging to ensure consistency and alignment such as TGA.
- Approved material and format lists at an industry level.
- Eco-modulated fees and EPR.

Solutions – for others to action



Threat/Weakness: Lack of harmonisation in recycling

Solutions:

- Harmonisation in design standards with MRF standards.
- Government investment in recycling technologies to align with international capabilities and circular economy activities.
- Investment fund setup for advanced recycling.
- Rethinking supply chain services e.g. processing for reusable packaging.
- Investment in local recycling infrastructure for remote areas.

How APCO is helping



• Creating confidence in investment to address cost to business.

APCO is currently working on a dedicated market insights webpage to deliver additional confidence and more digestible insights for Members, industry and government. The webpage will include an interactive flow map and scenario visualisations, key roles and responsibilities for actors in the packaging value chain, as well as further information on end markets.

 Developing supply chain templates for data input to be used across the industry to help overcome poor quality data.

APCO is currently investigating opportunities to develop a standard template for key data required for APCO related reporting requirement which can be shared with suppliers to gather information. This will help Members engage with their supply chain and streamline the collection of data.

 To address lack of knowledge in businesses, ensure resources and communications are simple and easy to digest.

APCO is looking to streamline existing resources and make sure the communications are fit for purpose. Currently in development is a landing page on the APCO website which will showcase the most important resources for Members to utilise on their packaging sustainability journey.

How APCO is helping

APCO

 To address lack of packaging sustainability knowledge in consumers, engage with local governments.

As a co-regulatory organisation, APCO engages with all levels of government. Local government is a critical stakeholder in the packaging system, and our engagement with local government is increasing accordingly. Local governments play a key role in collection and consumer recycling education.

 To address lack of knowledge, provide education on packaging sustainability and recycling.

APCO continues to partner with Planet Ark to provide consumer education on the Australasian Recycling Label (ARL) and packaging sustainability more broadly. APCO continues to works with the Australian Institute of Packaging to provide technical training to the packaging industry with updates joint courses to be delivered in 2024.

• To address confusion and lack of harmonisation, develop clear definitions. APCO is aware that there are several key terms and acronyms used across the industry with definitions housed in a vast array of resources which can be confusing to industry. APCO is developing a document with these key terms and their associated definitions, expected to be released in 2024.

Looking forward



Next steps

Attendees were encouraged to take away these identified solutions and start putting these into action. APCO will be following up with attendees to check-in on progress towards their identified solutions. Members are also asked to engage with APCO should they wish to contribute to APCO's projects and activities.

APCO has summarised the discussions (in this document) and will use these to inform future work and projects. We will use them to inform our advocacy with governments throughout the process to reform the packaging regulations and establish packaging design and recycled content requirements. APCO will use these findings in conjunction with the information gathered through APCO's national consultation roadshows in August-September 2023, where Members provided input to the development of APCO's advocacy position on the regulatory reforms and what the packaging system needs to looks like post-2025.

Thanks

Thank you to everyone who attended the workshop and contributed to the discussion. Your participation and openness during the session provided us with invaluable feedback.

Get involved

If you would like to get involved or contribute to any of APCO's projects, please contact the team at apco@apco.org.au



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www.apco.org.au