

Reuse Aotearoa recently produced its first report into reusable packaging, outlining the state of play for reusable packaging, barriers to growth, opportunities for innovation, and recommended actions for local and central government and industry sector groups. Hannah Blumhardt from Reuse Aotearoa summarises the key findings of the report.



## Reusable packaging should be the norm, but it's not – why? And what can we do about it?

In June 2022, Reuse Aotearoa produced its first report into reusable packaging, funded by Tauranga City Council. This research involved a desktop study and interviews with 18 New Zealand businesses operating reusable packaging systems. Waste generation, climate change and plastic pollution continue apace, with packaging presenting a high-profile lightning rod for all three crises. Public support of sustainable packaging for everyday essentials continues to grow, alongside increased disquiet about over-packaging and the shortfalls of the recycling system. Could reusable packaging be part of the solution?

### What is reusable packaging?

Reusable packaging features two critical elements:

- The use of containers/packaging units that are physically capable of withstanding multiple refill cycles;
- an accompanying system of reuse that ensures those packaging units are refilled, in practice, with the same or similar type of product for which they were originally conceived.

Some examples of reusable packaging systems in New Zealand include the longstanding Associated Bottlers
Co Swappa Crate system, returnable glass bottles for milk, the use of kegs in hospitality for beer, wine, milk and other beverages, and emergent reusable serviceware systems like Again Again, Reusabowl and CupCycling using the Swappa App.

#### Why reusable packaging?

Reusable packaging is a priority strategy for mitigating packaging waste, plastic pollution, and the packaging system's carbon footprint. Both the waste hierarchy and circular economy theory identify systems of reuse as more resource and energy efficient than efforts to recycle or compost products, and more capable of producing meaningful reductions in waste and plastic pollution. These assumptions are validated by a growing body of studies that show that over a range of environmental measures – including greenhouse gas emissions, waste, and resource usage - reusable packaging systems almost always beat single-use (provided breakeven points are met).

Central government is warming to the idea of reuse. Across various policy documents directed at regulating or rethinking packaging and plastics, the Ministry for the Environment has offered rhetorical support for reusable and refillable alternatives. The consultation documents on a new waste strategy (2021) and a beverage container return scheme (2022) both propose the possibility of reusable packaging targets.

# If reusable packaging is so great, why isn't there more of it?

Despite this growing appetite for reusable packaging, multiple barriers exist for companies wanting to establish, sustain or scale reusable packaging systems. The fundamental problem is one of economic viability. High upfront costs to establish a reusable packaging system in the absence of shared reuse infrastructure, such as fleets of reusable containers, washing equipment and systems for reverse logistics, combine with competition against single-use packaging when it is externalised.

Single-use packaging is cheap and easy for manufacturers and businesses to purchase, and generally, it's dispensed to consumers for free. Meanwhile, local and central government waste minimisation policy, practice and resources are funnelled towards recycling, downcycling and landfill. These state and ratepayer-funded waste and recycling systems effectively subsidise the single-use system, as packaging is often the main waste stream targeted by these services. Over several decades, this economic advantage has enabled single-use packaging to 'get ahead', becoming entrenched across supply chains and retail outlets, and ingrained into producer and consumer habits.

So, adopting a reusable packaging system today means breaking into a system built for single-use, building a reuse system from scratch and playing catch-up on a playing field that isn't level.

#### What can be done?

Even though significant environmental benefits would come from increasing reusable packaging's share of the packaging market in New Zealand, this won't happen spontaneously. Active and coordinated efforts are required across supply chains, industry groups and government to overcome the barriers mentioned above, and to support reuse to 'catch-up' after decades of neglect.



#### Local government

Local governments are anchor institutions that can leverage their property, bylaw-making power, and purchasing power. They can promote reusable packaging and create favourable conditions for its growth, accessibility, and availability by:

- Leading by example at councilrun events and venues, and through staff behaviour and communications, to phase-out single-use and require reuse.
- Procuring businesses offering reusable packaging options to fulfil council contracts and in-house requirements.
- Using councils' significant property and land assets to support reusable packaging initiatives.

In practice, this can look like:



Incorporating reusable packaging programmes and targets into waste management and minimisation plans.



Ring-fencing a proportion of waste minimisation funding for reuse or offering benefits-in-kind for reuse initiatives (e.g. space/rates rebates).



Encouraging reuse practices and actively raising awareness about existing reusable packaging systems in waste minimisation communications with residents and businesses.



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Brokering collaboration for reuse across businesses or partnering with businesses to deliver reuse systems.



Subsidising groups of businesses to run reusable packaging pilots.



Working with other councils regionally and nationally to take a consistent approach to reusable packaging.



Supporting greater clarity and reassurance around the intersection between reusable packaging, food safety, infection control, and Covid.



Developing methodologies for capturing data about the waste avoidance impact of reuse.



Advocating for central government action to level the playing field between reusable and single-use packaging.

#### **Industry**

Alongside local and central government actions, the collaboration and participation of all supply chain actors, industry groups and smaller operators is critical to lift reusable packaging from the niche to the mainstream. Currently, the reusable packaging sector lacks an independent and collective representative voice – this gap needs filling for reusable packaging to receive the prioritisation it requires for long-term growth. Nevertheless, all industry associations and sectors have a role to play in:

- Encouraging and supporting their members to adopt reusable packaging.
- Funding trials or research into reusable packaging systems for key products.
- Knowledge-sharing about successful examples of reuse within their sectors.

In practice, this can look like:



Actively investigating and championing reusable packaging within the sector, and advocating for reusable packaging with key stakeholders.



Fostering collaboration and knowledge-sharing about reuse within the sector.



Identifying the low-hanging fruit for reusable packaging in the sector and beginning trials and pilots.



Bringing together actors from across the supply chain to brainstorm and/ or work towards shared reusable packaging solutions.



Improving sector waste minimisation policies to incorporate reuse activities, and systems for tracking and rewarding business uptake of reusable packaging.



Increasing sector resourcing for sustainability and reusable packaging.

Our report also identified a specific role for the waste and resource recovery sector in providing the logistical and infrastructural support for reusable packaging systems, as a logical extension of the support the sector already provides to manage end-of-life single-use packaging. Membership associations like WasteMINZ could:

- Develop a work programme and/or sector group for source reduction and reuse.
- Actively support members to understand where reuse fits in to resource recovery and to develop and improve current collection, drop-off and logistical systems to facilitate reuse outcomes for packaging.
- Advocate to central government to prioritise source reduction and reuse in packaging policy, regulation and investment.



# Our reusable packaging future

Reusable packaging solutions exist already in New Zealand, in most key sectors, but they need support and the right enabling conditions to scale. Although the barriers to reusable packaging are significant (because they are structural), they are not insurmountable. Through coordinated action from local and central government, industry groups and individual businesses, these barriers can be overcome, and New Zealand can move towards the brightest future for reuse. **R** 

Read the full report at: reuseaotearoa.org.nz



Hannah Blumhardt is co-founder and lead researcher of Reuse Aotearoa, an organisation dedicated to building the momentum, understanding, capability and collaboration needed to scale reusable packaging systems in New Zealand.

