

## 3.2

# Recommended actions for industry groups to boost reusable packaging

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Industry sector groups, individual businesses and councils can all take action to support the uptake and growth of reusable packaging systems, and to put pressure on central government to take regulatory action as well.

The nine recommended industry group actions to support reusable packaging are based on suggestions made by businesses and other stakeholders we have interviewed, and from the wider research on reusable packaging.

For more information about the appropriateness and necessity of industry action to support reusable packaging and create the enabling conditions for it to scale, see our *Setting the Scene* chapter on the current barriers to reusable packaging and the case for supportive action from government and industry.

For recommendations for Councils and central government, see the other Taking Action chapters of this report.

### THE ROLE OF INDUSTRY GROUPS IN BOOSTING REUSABLE PACKAGING

To gain the economies of scale for a meaningful increase in reusable packaging's total market share, the collaboration and participation of all supply chain actors, big industry groups and smaller operators is needed. Industry associations or sector groups have a major role to play in:

- Encouraging and supporting their members to adopt reusable packaging.

- Funding trials or research into reusable packaging systems for key products.
- Sharing knowledge about successful examples of reuse already taking place within the sector.

As noted throughout this report, well-designed reusable packaging systems have the potential to bring both environmental and economic benefits. Thoughtful and collaborative action to build economies of scale for reuse, and to establish pooling/sharing of reusable assets and services, will accelerate the resource efficiencies inherent in reusable packaging that generate cost savings for business (including reducing ongoing costs of single-use packaging). Well-designed systems can also optimise workflow and purchasing experiences that improve staff wellbeing and build brand value and customer loyalty. Ultimately, heightening public and political attention on the waste and climate crises makes the transition to reuse increasingly likely in the short- to medium-term; industries that plan ahead will be best positioned to ensure this transition reflects best-practice and delivers the most benefits for their sector.

#### 1 Take an active position of investigating and championing reuse

"Industry bodies or forums, like associations of fruit growers, or the food and grocery council, can play the role of saying "this is important and why", investigating how to move down this path and then supporting their members to go along."—Reusable packaging provider interviewee



Industry associations for sectors such as construction, healthcare, hospitality, tourism, packaging, and fast moving consumer goods, as well as local business associations, such as Chambers of Commerce, could do more to shine a light on the packaging waste issues within their sectors or areas, and to investigate and promote reusable packaging options. One means to ensure this happens would be to **establish a dedicated work programme for reuse within industry associations.**

Industry associations and Chambers of Commerce are also ideal platforms to raise awareness with their members about the reusable packaging options already out there. Industry groups could highlight their members who are already using reusables and support them to “mentor and encourage others in the industry.”<sup>1</sup> Ultimately, investigating and then sharing information about reusable packaging options is one way associations can fulfil their purpose of supporting their members, particularly those members with sustainability goals.

“Industry has a training and awareness raising role to play: upskilling people on the impact packaging waste has, but also how they can reduce their impact. The people working in our industry are there to do their job, not to do a lot of research. There’s not the knowledge there to understand the impact. They might see it every day, they probably haven’t considered it – it’s what they’ve always done and been told to do. Training and awareness can change that.”— Business/service provider interviewee



For example, the **Glass Packaging Forum** has recently published a paper on the opportunities and challenges for refillable glass containers in New Zealand, in which it highlights the range of existing refill schemes in New Zealand, and notes the relevance of the Forum being a “refill champion”.<sup>2</sup>

In 2021, **Restaurant Association** began issuing information to its members that reusable cups and containers were permitted during contactless transactions under Alert Level 3 (including generating signage members could easily print out and display<sup>3</sup>), and has since reiterated that reusables are permitted in their red light traffic setting guidelines.<sup>4</sup> While these are small actions, they show the Association is willing and able to provide support to members who seek guidance or reassurance about implementing or maintaining reusable systems.

## 2 **Foster collaboration and knowledge-sharing about reuse within the sector**

“...what would be good is more collaboration across the system, more people willing to learn from other people being there before and that would improve the uptake and decrease the complexity for more institutions to come on board. Then we could invest more in more packaging systems.”—Reusable packaging provider interviewee



Industry and sector groups can create forums and incubators for collaboration and information sharing on reusable packaging systems and best practice, so that good ideas happening in one part of the country can cross-pollinate to other areas too. Overtime, this can also support the development of best-practice approaches to reuse within each sector, and enable troubleshooting and peer-to-peer learning. One product manufacturer operating a reusable packaging system noted that they felt “really lucky” to have been supported by the local “entrepreneurship ecosystem in New Zealand” and suggested that Chambers of Commerce could encourage more incubators and accelerator programmes for businesses seeking to innovate and normalise reusable packaging systems.

In addition, **there is a role for industry groups in knowledge generation about reusable packaging systems**, which can then be shared more widely. For example, undertaking research into the user experience of reusable packaging systems (for workers and consumers), to extend knowledge about how reuse can be made as easy and accessible as possible.

Another important area of research are lifecycle analyses that look at how best to manage and design a broader sector shift to reusables (i.e. looking beyond single products to take a sector approach, and looking beyond the current dominant use of lifecycle analyses that only compare single-use packaging types).

“Cooperating with others would make a difference. We are happy to share even though our USP is sustainability... it’s something we need to be doing - sharing ideas and discussing these things, on a national scale.”—Business/service provider interviewee



### 3 **Identify the low-hanging fruit in the sector and begin trials and pilots**

“...start with a trial for a fixed period and make this clear to everyone from the outset.”—BRANZ (2014)<sup>5</sup>



Industry or sector associations are uniquely positioned to **bring different parts of the industry together to commit to progress reusable packaging systems, and identify and initiate pilot opportunities**. Even interviewees in sectors with few reusable packaging options and many barriers (e.g. construction and healthcare) were able to identify products or practices in their sector for which reusable packaging systems would be viable and could be trialled. By taking leadership to work together, **industry associations can identify and reach a consensus around particular products that are realistic to transition to a reusable model, and then trial them**. One example from the healthcare sector was serviceware for patients and staff in hospitals, and in the construction sector, reusable wrapping for timber.

### 4 **Bring actors across the supply chain to the table to brainstorm and/or work towards shared reusable packaging solutions**

“So, industry associations deciding to do this and going to talk to a reusable packaging provider is a quicker road to follow because you already have a critical

mass. You need scale to do this, but if you’re only dealing with a few it doesn’t go far. Critical mass at the production or consumption end helps move things quicker.”—Reusable packaging provider interviewee



Reusable packaging solutions can scale most quickly and efficiently if industry or sector associations can bring different parts of the industry together to collaborate. This can include coordinating actors across the full supply chain to leverage opportunities for reverse logistics, standardised or pooled packaging that most businesses within a sector agree to use, and shared infrastructure to prepare packaging for reuse.<sup>6</sup> This would be of benefit to members because a shared approach to reusable packaging can also reduce overall packaging costs for all members.

“It would be cool to share bottle and washing infrastructure with other beverage companies. We could have cleaning and factory and processing. Other companies could send their packaging to us and we would process and dispatch it.”—Business/product manufacturer interviewee



Coordinating activity and establishing shared infrastructure and pooled assets can also be met by dedicated reusable packaging businesses. This requires enough members of the sector supply chain to agree to participate, which industry associations are in the best position to broker. Industry associations can work to identify possible reusable packaging providers and start-ups to trial and grow their offering in a mutually beneficial manner.

In the absence of a third party reusable packaging company, industry collaboration may still unlock the potential of existing infrastructure, logistics or technology to advance reuse, e.g. existing washing infrastructure in the hospitality sector, distribution vehicles already on the roads making deliveries

that could support with reverse logistics, or the comprehensive barcode/tracking system in fast moving consumer goods supply chains to support reusable transport packaging

“In the fast-moving consumer goods sector there is a need to collaborate to improve reuse in the supply chain, e.g. opportunities to make use of empty trucks to move things back and forth. If you can get pallet loads of full product to all ends of the country, then you should be able to get empty reusables back.”—Reusable packaging provider interviewee



## 5 **Advocate for reusable packaging with key stakeholders**

Industry association and sector groups can work externally with other groups and stakeholders on behalf of their members to call for reusable packaging or to address or clarify current blockages to reusable packaging systems. For example, packaging, hospitality and fast moving consumer goods associations could work with central government agencies to develop industry-specific guidelines for reusable packaging and food safety law.

“Talk to product manufacturers about reducing their packaging waste... work with manufacturers on a packaging return system. These systems require coordination from everyone in the supply chain”—BRANZ (2014)<sup>7</sup>



Many interviewees also felt there was a need to **put pressure on suppliers and retailers to offer reusable packaging or to participate in reuse systems**. Interviewees in the grocery sector thought that groupings of stores focused on bulk dispensing could also work together to push suppliers to reduce packaging and the cost on bulk food orders, while others

acknowledged the influence major supermarkets already have on influencing uptake of reusable transit packaging in the fast moving consumer goods sector.

Businesses that wield particular influence in supply chains could go further to advocate for reuse, on behalf of their sector. For example, overseas, NGOs have recommended that supermarkets give brands an ultimatum to increase their use of consumer-facing reusable packaging or face the possibility of being delisted.<sup>8</sup> When suppliers, retailers or other parts of the supply chain sit outside of individual business’ immediate influence, industry associations can act as a powerful collective voice to call on these actors to increase reuse or be more supportive of sector efforts to reduce packaging waste.

“Our sector can work with companies to change the way that they do things, and work with the people who supply us with the products to change the way they do things.”—Business/service provider interviewee



Industry associations and sectors could also come together to **put pressure on central government to develop policy that levels the playing field between reusable and single-use packaging**, and prioritise applications to the Waste Minimisation Fund and Plastic Innovation Fund that focus on getting reusable packaging systems off the ground for your sector.<sup>9</sup> See our *Taking Action* chapter of recommendations for central government, which lists key policies and regulations that can help to level the playing field between reusable and single-use packaging.

## 6 **Improve sector waste minimisation policies, as well as the systems for tracking and rewarding business uptake of reusable packaging**

“It would help if certifications and standards would put a spotlight on

packaging. If packaging was one of those items that were assessed, it would really benefit us and everyone else. You could then start to talk with those companies and find out how they reuse...”—Business/ service provider interviewee



Most industry sectors have waste minimisation policies, or sustainability certification systems or programmes. These programmes and policies should be updated to give greater attention to packaging waste, and to look beyond promoting only waste diversion activities like recycling (or compostables) for packaging. Policies and programmes should encourage or detail the benefits of reusable packaging systems and provide businesses with greater support in this area. Certification programmes should specifically recognise reusables in order to better acknowledge the companies that go the extra mile to develop a reusable packaging system over merely participating in a recycling programme.

Furthermore, **industry groups should begin to measure and report the use of single-use and reusable packaging within their sector and the waste avoidance impact of reusable packaging**, and communicate this to members, policymakers and the public. This is relevant for all sectors, but especially the packaging industry. In Australia, the Australian Packaging Covenant Organisation is beginning to measure the scope and impact of the reusable packaging sector in their annual reporting.<sup>10</sup> The practice should also be adopted in New Zealand by groups like the Packaging Council and The Packaging Forum. In tandem with establishing baseline data, **industries should also set time-bound targets for increasing reusable packaging, and encourage the setting of such targets at a company-level as well.**

## 7 **The Waste and Resource Recovery Sector has a role to play too**

The Waste and Resource Recovery sector has a role to play in providing the logistical support for reusable packaging systems (as they currently do for single-

use packaging systems). For example, membership associations such as **WasteMINZ** and **Zero Waste Network Aotearoa** could actively support their members to understand the place of reuse in resource recovery and how they can develop and improve current collection, drop-off and logistical systems to achieve/ facilitate reuse outcomes for packaging. Advocacy by the waste minimisation sector on issues such as single-use plastics, deposit return schemes, plastic pollution, packaging recycling and kerbside recycling collections could be expanded to include greater and specific focus on policy and investment to increase reusable packaging, as an important component of addressing issues that the sector is interested in the waste hierarchy. As with industry associations, it would be of benefit for waste and resource recovery sector organisations to develop a specific work programme for reuse.

## 8 **The reusable packaging sector should seek support to organise and create an independent voice for itself**

“The reuse world needs to make its voice heard louder.”—Dufour (2021)<sup>11</sup>



Interviewees were generally highly supportive of a body to represent the reusable packaging sector. Reusable packaging is quite distinct from single-use packaging and representing the sector requires specific expertise and knowledge that would be best advanced by an association dedicated to reusable packaging businesses. Currently, the reusable packaging sector has no such voice in New Zealand and is not well represented by existing packaging associations.

Overseas, the **Reusable Packaging Association** is developing a voice for reusable transport packaging, telling the story of reusable packaging and representing the interests of their members who are pursuing reusable transport packaging solutions.<sup>12</sup>

An association for reusable packaging companies in New Zealand would help to support better Government policy in the area of reuse, could protect the integrity of

the existing reusables industry against false or inaccurate claims of reusability by setting basic definitions and standards, and support general awareness raising about the possibilities, potential and current realities of reusable packaging in Aotearoa. While some businesses operating reusable packaging systems in New Zealand have established loose organisations, such as **Sustain Aotearoa – Independent Zero Waste Grocers**,<sup>13</sup> a properly funded organisation would be able to dedicate more time to advocacy and building collaboration across the wider sector.

“You want standards to ensure reusables are actually good quality and the reusables stay in use – to avoid risk of people bringing marginally better containers that they call reusable, but that only last three washes.”— Reusable packaging provider interviewee

However, some interviewees thought the New Zealand market was too small to justify an entire association dedicated to reusable packaging and thought a specific sector group within the **Packaging Council, The Packaging Forum** or sector associations like the **Food and Grocery Council** would be more appropriate, and could still be led by individuals with direct knowledge of reusable packaging.

In any case, the initial burden of establishing this group or organisation could be led by some of the more established reusable packaging companies in the market, as smaller, emergent businesses may lack capacity. However, the organisation should exist for the benefit and fair representation of all members.

“I worry that the big guys will infiltrate the space and dilute it to the point that it doesn’t mean anything on the waste side of things, but it takes customers away from the little guys like us that are really trying to have an impact. That’s something I do worry about long term – what’s the longevity in this when brands start to pick this up?”—

Business interviewee operating reusable packaging system



## 9 Increase sector resourcing for sustainability and reusable packaging

“Chambers of Commerce could give those businesses who have thought about reduced packaging options in their supply chains... seed capital, investment, give them a grant to upscale, source better manufacturing opportunities.”—Business/product manufacturer interviewee



Undercapitalisation and under-resourcing was a frequent barrier cited by interviewees and one that many thought could be alleviated by industry associations and sector groups making more funding and resourcing available to progress reusable packaging or support those already doing it to expand. The **Glass Packaging Forum** is an example of an industry association that makes grants available for reusable packaging, and has enabled personal care product companies **Aleph Beauty** and **Solid** to establish washing systems for their returnable packaging. The Forum has noted its willingness to seek out more partners to offer funding support, or to partner with other funders for larger scale projects.<sup>14</sup> Industry groups should prioritise investment in shared infrastructure and assets to facilitate, as much as possible, the development of a harmonised, efficient reusable packaging system that can reach economies of scale and reduce cost and complexity.

“As much as the grant, it was the vote of confidence that we’re doing the right thing, and doing it the right way, which meant a lot. This has helped us communicate the scheme better, led to more people taking part, and meant that we have made more of an impact”—Laura Nixon (N.D.), Solid<sup>15</sup>



Other interviewees who were sustainability managers within their organisations noted that a sector-wide approach to normalising the hiring of more sustainability managers or to creating bigger sustainability teams would enable more action in the area of reusable packaging (rather than one FTE being spread across every sustainability issue their sector or organisation faced):

“It would help to have more of me... At the moment, I have to research everything, find all the things we might do, plan to put it into place, then put it into place. Even for circumstances where there is a potential solution, it’s hard. Things like this where there is no potential solution, we are so under-resourced across the board, it makes it really challenging to do innovation.”— Business/service provider interviewee

## MORE RECOMMENDED ACTIONS TO INCREASE REUSE.

Other groups have a role to play in increasing the uptake of reusable packaging too. Find recommendations for local and central government in the other *Taking Action* chapters of this report.

## REFERENCE LIST

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- 7 BRANZ (2014), above n 5, p.6.
- 8 Environmental Investigation Agency and Greenpeace (2021) Checking Out on Plastics III (London: EIA UK). Accessible at <https://checkingoutonplastics.org/>, p.37.
- 9 See, for example, the recommendations to UK supermarkets to engage with government and policymakers on such matters: Environmental Investigation Agency and Greenpeace (2021), above n 8, p.37.
- 10 Australian Packaging Covenant Organisation (2021) Australian Packaging Consumption & Recycling Data 2019-20 (Prepared by Envisage Works, IndustryEdge, Randall Environmental Consulting and Sustainable Resource Use on behalf of the Australian Packaging Covenant Organisation). Accessible at <https://documents.packagingcovenant.org.au/public-documents/Australian%20Packaging%20Consumption%20And%20Recycling%20Data%202019-20>.
- 11 Nathan Dufour from Zero Waste Europe (2021) “When reuse becomes the new ‘normal’ – a system change perspective” (Presentation at the 8<sup>th</sup> European REUSE Conference hosted by Deutsche Umwelthilfe (Environmental Action Germany)).
- 12 <https://www.reusables.org/>.
- 13 Laura Stewart (2022) “Business Unusual: Exploring the Role of Vertical and Horizontal Collaboration in the Development of Circular Business Models for Reusable Packaging in Zero-Waste Grocery Stores” (Thesis submitted for Master of Sustainable Business at Department of Management, University of Otago).
- 14 Glass Packaging Forum (2022), above n 2, p.13.
- 15 Laura Nixon, owner of Solid Oral Care, cited in <https://www.glassforum.org.nz/nz-oral-health-company-forging-a-sustainable-future/>.