

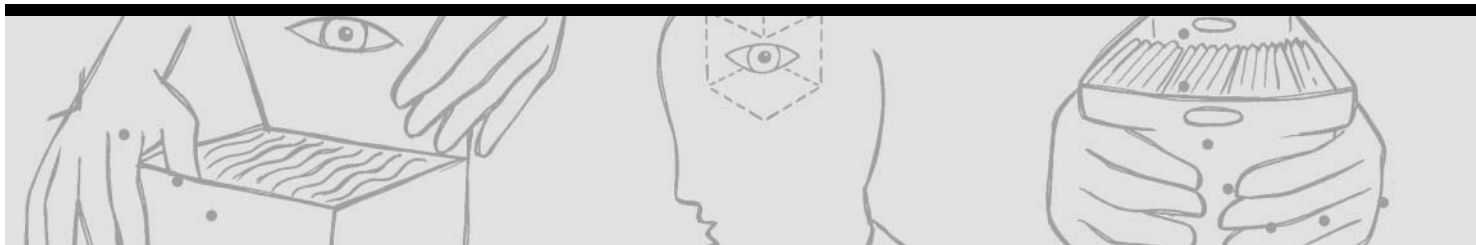
Plastics

:: SECTOR ACTION PLAN



NEW ZEALAND PACKAGING ACCORD 2004

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PLASTICS SECTOR ACTION PLAN

NEW ZEALAND PACKAGING ACCORD 2004

1. INTRODUCTION

This sector action plan has been prepared on behalf of the New Zealand plastics manufacturing sector by Plastics New Zealand Inc under the *New Zealand Packaging Accord 2004* – Clause 19 details how the sector will implement the Accord and includes provisions for annual reporting, including measurement of progress against specific targets and working alongside other sectors.

The plastic packaging sector is made up of plastic raw material suppliers, plastic packaging manufacturers, plastics manufacturers who use packaging, plastics recyclers and service providers to the plastics industry.

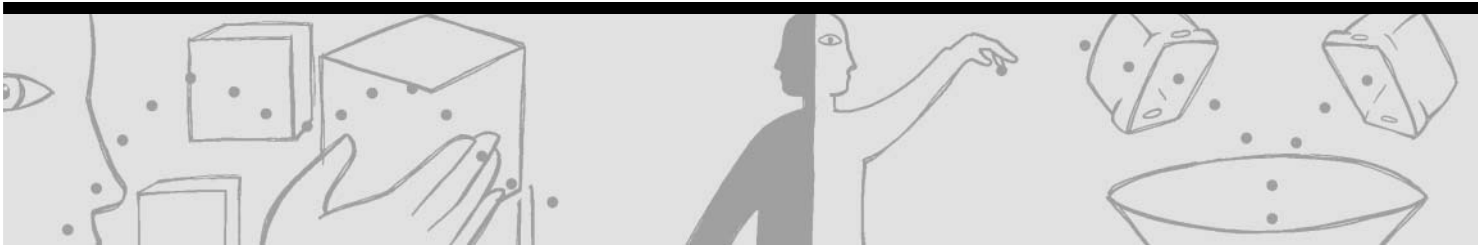
The plastics packaging sector continues to grow as it excels in meeting ever more stringent requirements for product protection, shelf life, branding and the information that packaging must provide. European studies show that plastic now packages almost 50 percent of all goods, using only 17 percent of the total raw materials used for packaging¹. Plastic is the most efficient form of packaging available today.

The New Zealand plastics sector is committed to ensuring that growth of the sector continues in an economically, socially and environmentally sustainable manner. In 2003 the plastics sector launched a *New Zealand Plastics Sustainability Initiative*; this defined the central commitments required to progress the sector towards sustainability.

This action plan is based on the commitments established under the *New Zealand Plastics Sustainability Initiative*, and builds on the framework of projects already begun under it. The plastics sector is resolute that we continue to progress these commitments strategically, taking into account all aspects of the plastics packaging lifecycle. This means more than just looking at recycling options. Enabling full lifecycle assessment and comparison, assessing the growing application of biodegradable and compostable plastics from renewable resources, and assessing energy recovery options are important considerations for the future of the industry.

A first step under this *Plastics Sector Action Plan* is to investigate options to remove the economic barriers to more sustainable plastics. Once these are established the development of a common plastics waste strategy is proposed. This will enable the establishment of specific, measurable and achievable targets in conjunction with other parties to the Accord.

¹ APME, 2002.



2. ABOUT THIS SECTOR

Plastics New Zealand is an industry group that has represented the New Zealand plastics industry for over 60 years. Plastics New Zealand has over 180 member companies, including plastics product manufacturers, recyclers and suppliers of raw materials, machinery and services to the industry. Plastics New Zealand represents more than 75 percent of the New Zealand plastics industry and is based on a representative committee structure. The purpose of Plastics New Zealand is to maximise the growth and success of plastics-based technology in New Zealand in an economically, socially and environmentally responsible manner.

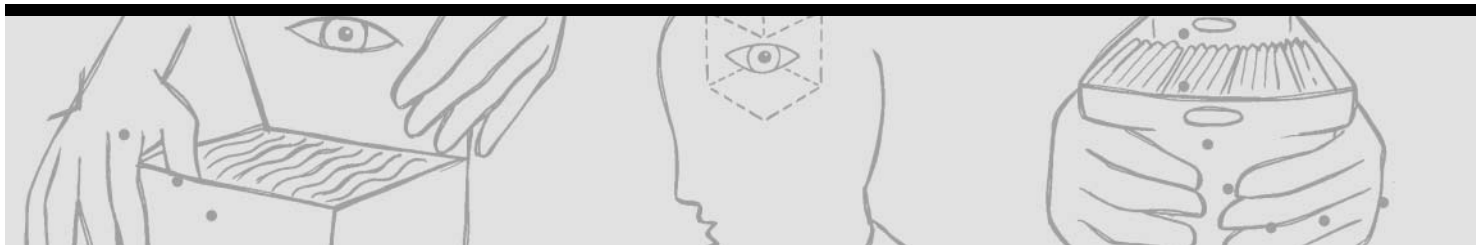
Plastics New Zealand launched a *New Zealand Plastics Sustainability Initiative* in 2003. This provides a five-year agenda for action and sets down broad sector commitments, actions and targets that support the objective of the *New Zealand Packaging Accord 2004*. The *New Zealand Plastics Sustainability Initiative* forms the framework for this action plan as detailed in section 4.

A principle component of actions under both the *New Zealand Plastics Sustainability Initiative* and this plan is the *Plastics Environmental Best Practice Programme*. This was designed by Plastics New Zealand to provide a simple and effective programme to improve environmental performance in the plastics sector. With support from the Ministry for the Environment's (MfE) Sustainable Management Fund, the programme provides a full-time facilitator to assist regional groups of plastics companies. These groups meet every two months in Auckland and Christchurch. The focus of this programme is ensuring companies develop the commitment, knowledge and capability to include environmental best-practice considerations into their company strategies, operations and product development, on an ongoing basis.

3. THIS SECTOR ACTION PLAN

As part of the process, all parties to the Accord have prepared sector action plans. Sectors represented in the Accord are:

1. Aluminium
2. Brand Owners and Retailers
3. Central Government
4. Glass
5. Local Government New Zealand
6. Paper
7. Plastics
8. Recycling Operators of New Zealand
9. Steel



This sector action plan identifies the contribution that the sector and the organisations it represents will make to the achievement of *New Zealand Packaging Accord 2004* objective and, in so doing, related aspects of the *New Zealand Waste Strategy*.

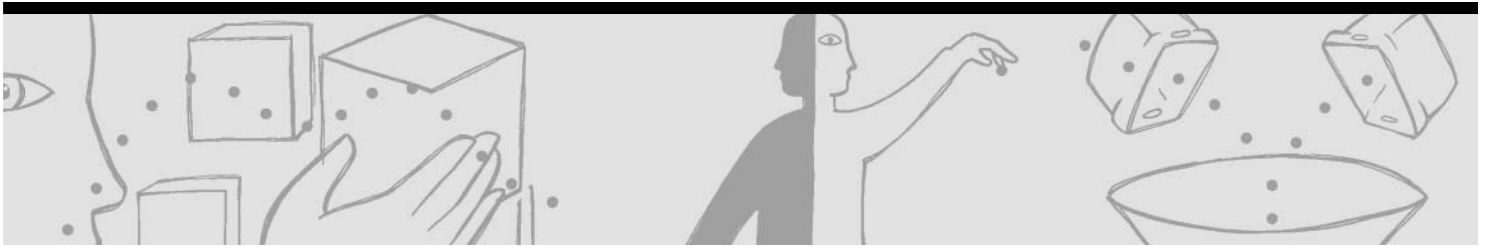
It reflects the collaborative approach of the Accord process, which encourages all parties to work towards achieving a common objective and, of necessity, acknowledges that there are different ways of doing this.

Each party to this plan has agreed to the implementation of the activities/outcomes it lists as a minimum commitment to the Accord. The actions agreed to within the sector are detailed in the tables that follow, along with the timeframe the sector has to plan, implement and, where stated, achieve each of its commitments.

4. PARTIES TO THIS PLAN

Initial parties to this plan (as at 21 July 2004) are:

Amcor Flexibles Australasia	Premier Plastics Ltd
Amcor PET & Closures Australasia	Sealed Air (New Zealand) Ltd
Astron Plastics Ltd	Cryovac Sealed Air
Aztec Packaging Ltd	Signum NZ Ltd
Barnes Plastics	Simaplas Ltd
Chemiplas NZ Ltd	Sullivan Packaging Ltd
Chequer Corporation Ltd	TSL Plastics Ltd
Galantai Plastics	Tubepack Ltd
Hope Moulded Polystyrene	Vertex Pacific Ltd
Huhtamaki Henderson Ltd	Viscount Plastics (NZ) Ltd
Labserv Division of Biolab Ltd	Vista-Pak NZ Ltd
Long Plastics Ltd	Visy PET
Monaghan Plastics & Engineering Ltd	Visy Industrial Plastics NZ Ltd
Poynter Agencies	

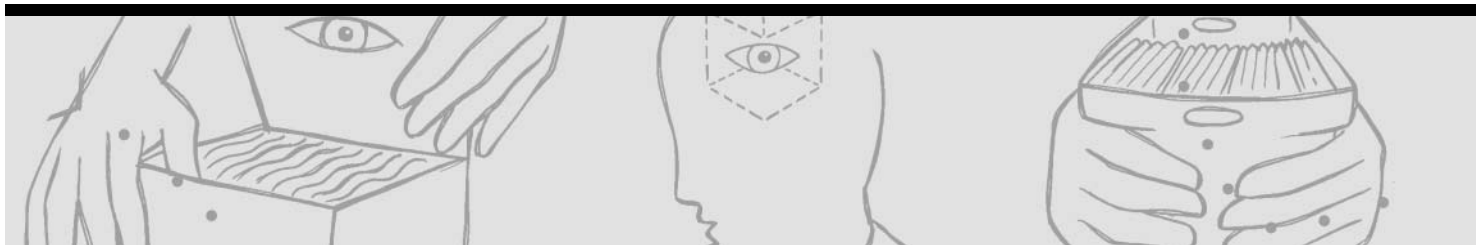


5. WHAT THIS SECTOR ACTION PLAN CONTAINS

The sector has agreed to address all eight Accord measures of progress as listed below. It was agreed that not every measure will be equally applicable to individuals within the sector. However, as the areas are interconnected they should be read and interpreted in a synergistic manner. The measures for action are:

1. Mass balance data
2. Trends of annual estimated packaging waste to landfill (or other disposal methods) per person
3. Packaging design and procurement
4. Development of sustainable markets for reused and recycled packaging materials
5. Programmes to achieve national targets (including plastic shopping bag reduction target)
6. Consumer information and involvement
7. Accord promotion
8. In-house waste reduction and resource recovery.

In general, during the first two years of the Accord (Years 1 and 2) the sector will work towards benchmarking its activities and progress. In the last three years (Years 3-5) there is an expectation of improvements being made. The sector will work with all other sectors to reduce the consumption of packaging and improve its recovery. It will report annually on the activities listed in this sector action plan.



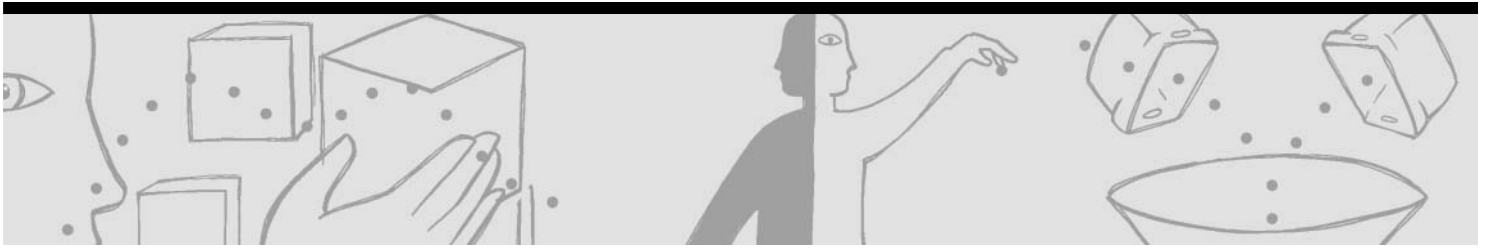
6. SECTOR ACTION PLAN ACTIVITIES

1. MASS BALANCE DATA (CLAUSE 20)

PAC.NZ will report aggregates annually on behalf of brand owners, retailers and packaging manufacturer groups. Weights of packaging materials consumed and recycled will be collected and presented in formats used since 1994, thus allowing year-by-year comparisons. Reporting methodology will be improved and data will be independently reviewed.

COMMITMENT	ACTIVITIES	YEAR
COMPANY/ORGANISATION		
Contribute to packaging consumption (including imports) and collection data.	Annual survey completion: <ul style="list-style-type: none"> Plastics New Zealand mass balance survey and/or plastics recyclers survey and Environmental key performance indicator (EKPI) survey 	Years 1-5
SECTOR		
Collate data by packaging type by sector. <i>Provision of data clearly identifying trends in plastic production, recycling and waste.*</i>	Plastics New Zealand will continue to conduct and publicly report on the three surveys listed above through: <ul style="list-style-type: none"> www.plastics.org.nz Annual Plastics Industry Report. 	Years 1-5
JOINT		
Improve/revise format for mass balance data to achieve transparency.	Plastics New Zealand will actively participate in the review of the mass balance survey methodology and reporting.	Years 1-5
PAC.NZ reports annually. Independent review of PAC.NZ findings.	Plastics New Zealand will implement the findings of this review, where appropriate, and continue to improve the accuracy of data provided.	

*Plastics sector action plan specific commitment



2. TRENDS OF ANNUAL ESTIMATED PACKAGING WASTE TO LANDFILL PER PERSON (CLAUSE 21)

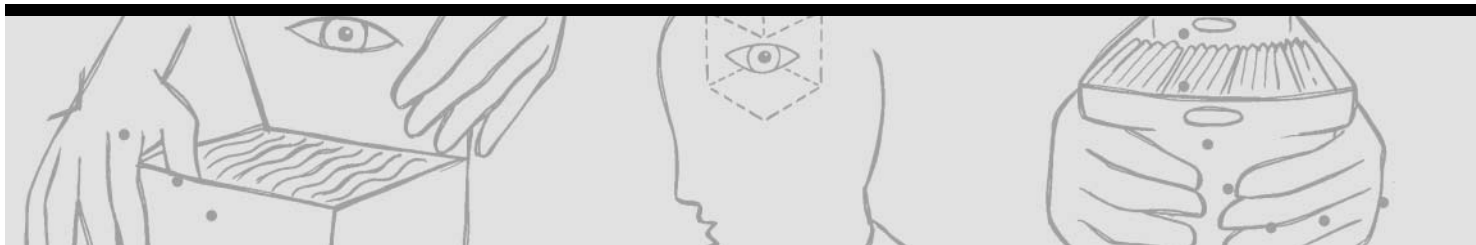
Annual estimates of packaging waste to landfill (or other disposal methods) per person by material (paper, plastic, glass, steel, aluminium, composites) and in aggregate, by weight. An eventual reduction in these rates will be one of the important indicators of the Accord’s success.

COMMITMENT	ACTIVITIES	YEAR
COMPANY/ORGANISATION		
Collect data and report findings to all sectors on packaging types.	Each company will assist in the identification of plastic packaging materials by adhering to the plastics identification code, or, where relevant, specific disposal instructions.	Years 1-5
SECTOR		
Improve packaging format for Solid Waste Analysis Protocol (SWAP).	Plastics New Zealand will provide industry-specific technical or statistical support where required.	Years 1-5
JOINT		
Decrease in per capita rates of packaging waste to landfill.	Refer to other activities.	Years 1-5

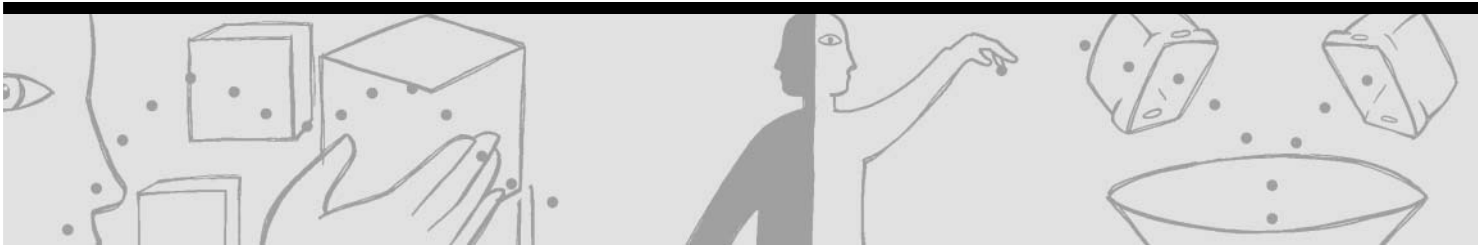
3. PACKAGING DESIGN AND PROCUREMENT (CLAUSE 22)

Annual sector action plan reports will document:

- **Packaging design:** a drive for sustainability in packaging design by creating and participating in better design industry training programmes, reviewing new and existing packaging against codes of practice, cooperating with the resource recovery sector during packaging design, and dealing with non-compliance with the *PAC.NZ Code of Practice*
- **Packaging procurement:** improving policies and practices by adhering to codes of practice for sustainable packaging procurement and through supply chain initiatives.

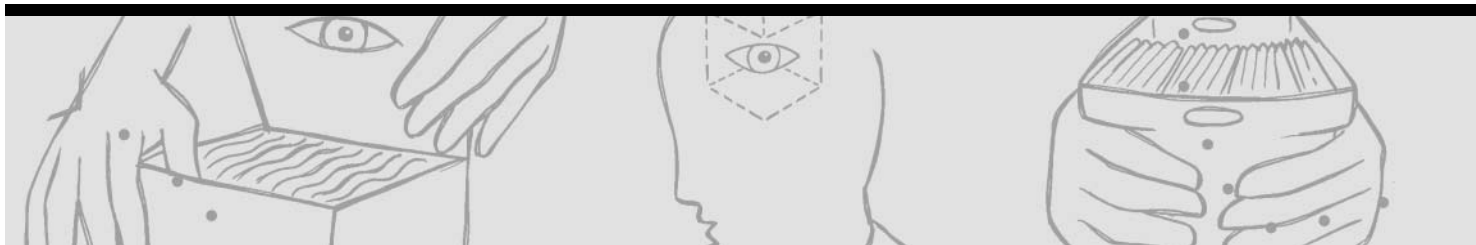


COMMITMENT	ACTIVITIES	Year
<p><i>Note: Plastic packaging suppliers and manufacturers can often only advise on sustainable packaging design and procurement options. The partnership of brand owners, packaging designers, retailers and consumers as specifiers of packaging is essential to meeting these commitments and the objective of the Accord.</i></p>		
COMPANY/ORGANISATION		
<p><i>Ensure employees are aware of guidelines for sustainable product design and material selection.*</i></p>	<p>*Each company will ensure all relevant employees are aware of the <i>Code of Practice for the Packaging of Consumer Goods</i> and industry specific guidelines.</p>	Years 1-5
	<p>*Each company will adopt and follow the <i>Code of Practice for the Packaging of Consumer Goods</i> and any relevant industry-specific guidelines when designing and advising clients on new or existing packaging products, including the:</p> <ul style="list-style-type: none"> plastics identification code Australian Council of Recyclers' <i>Recycling Guide for Beverage and Food Manufacturers Marketing in PET Containers</i> Australian Council of Recyclers' <i>Recycling Guide for Fillers Marketing in HDPE</i>. <p><i>Note: Where clear guidance is not readily available companies should consult with Plastics New Zealand and/or the Recycling Operators of New Zealand (RONZ).</i></p>	Years 1-5
<p>Ongoing review process for new and existing packaging using <i>PAC.NZ Code of Practice</i> and industry-specific guidelines.</p>	<p>Each company will undertake:</p> <ul style="list-style-type: none"> a review, using the approved checklist, of all new packaging under the <i>Code of Practice for the Packaging of Consumer Goods</i> and relevant industry specific guidelines 	Years 2-5
	<ul style="list-style-type: none"> to create a programme for reviewing existing packaging lines 	Years 2-5
	<ul style="list-style-type: none"> to report to Plastics New Zealand annually on this process through the plastics EKPI survey. 	Years 2-5
<p><i>To support the Accord objective by implementing sustainable purchasing policies.*</i></p>	<p>Develop and implement a purchasing policy that supports environmentally responsible practices and encourages the use of recovered material where possible.</p>	Years 2-5



SECTOR		
Report the number percentage of companies/organisations that have implemented a review process of new and existing packaging.	Report the number/percentage of companies that have implemented a review process for new and existing packaging. This will assist with the identification of any trends in the adoption of sustainable design practices and common issues that need to be resolved.	Years 2-5
Industry training programmes.	Ongoing provision of the <i>Plastics Environmental Best Practice Programme (PEBPP)</i> to ensure that plastics companies develop the capability to adopt waste minimisation practices, including cleaner production, sustainable design, labelling and recyclability.	Years 1-5
<i>Assess and improve existing resources and industry training to enable sustainable product design.*</i>	Review industry-specific course material and publications: <ul style="list-style-type: none"> produce an updated assessment report 	Year 1
	<ul style="list-style-type: none"> act on recommendations. 	Years 2-5
<i>Provision of industry specific resources and guidelines through www.plastics.org.nz *</i>	Plastics New Zealand will provide and develop additional resources as required, including: <ul style="list-style-type: none"> development of guidelines for the use of degradable plastics in New Zealand. 	Year 1
	Promotion of industry awards: <ul style="list-style-type: none"> plastics industry awards plastics secondary schools design award PAC.NZ awards. 	Years 1-5
Rectify non-compliance complaints.	Monitor complaints and provide assistance as required.	Years 1-5
JOINT		
Design a checklist for packaging reviews, identify and address design issues.	Plastics New Zealand will actively participate in the development of the design checklist for packaging reviews.	Years 1-2
	Encourage all parties purchasing products with rigid or printed flexible plastic packaging to require labelling with the plastics identification code or specific disposal instructions in accordance with the <i>PAC.NZ Code of Practice</i> .	Years 1-5

*Plastics sector action plan specific commitments

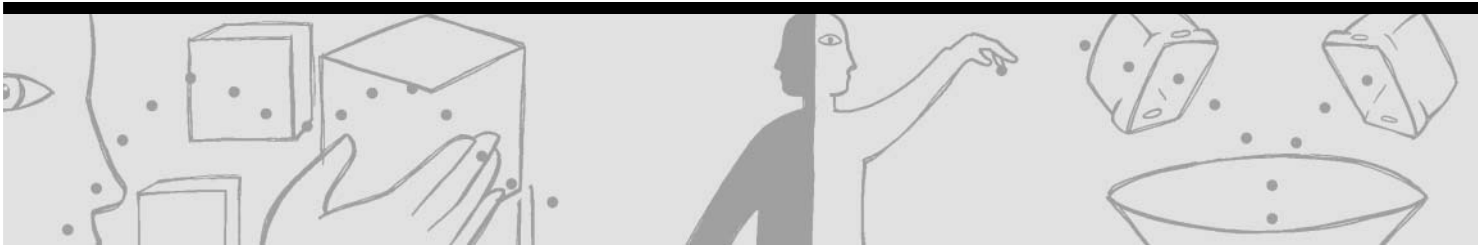


4. DEVELOPING SUSTAINABLE MARKETS FOR REUSED AND RECYCLED PACKAGING MATERIALS (CLAUSE 23)

Closing the loop on waste by developing and fostering sustainable markets for reused and recycled packaging materials. Annual sector action plan reports will document cooperative ventures between industry sectors, identify any barriers to, and any frameworks supporting, sustainable resource efficiency industries in New Zealand, and any results from joint initiatives.

COMMITMENT	ACTIVITIES	YEAR
COMPANY/ORGANISATION		
Develop [<i>design*</i>] purchasing and [<i>recovery*</i>] policies that encourage the use of recovered materials.	Each company is to ensure that their product design and purchasing policies incorporate consideration for recycled content materials where appropriate.	Years 1-5
SECTOR		
Report the number/percentage of companies/organisations with purchasing policies that encourage the use of recovered materials.	Plastics New Zealand will report annually on the number/percentage of companies that have implemented purchasing policies which encourage the use of recovered materials, including the use of plastic packaging for energy recovery.	Years 2-5
JOINT		
<i>Investigate sustainable market options for reused and recycled plastic packaging materials.*</i>	Commission economic feasibility studies assessing options for developing sustainable markets for reused and recycled plastic packaging materials. These will assess New Zealand's plastics waste stream, identify future trends in production and consumption and make recommendations prioritising recovered material options and applications.	Years 1-2
Work with other sectors to develop and support sustainable markets for recovered packaging materials.	Hold a forum to present the recommendations of the economic feasibility report to all Accord parties.	Years 2-3
	Assist in the development and implementation of a common strategy to implement these recommendations with all Accord parties and any other relevant stakeholder groups.	Years 2-5
	Initiate, facilitate and participate in other reviews and working parties as required.	Years 1-5

**Plastics sector action plan specific commitments*



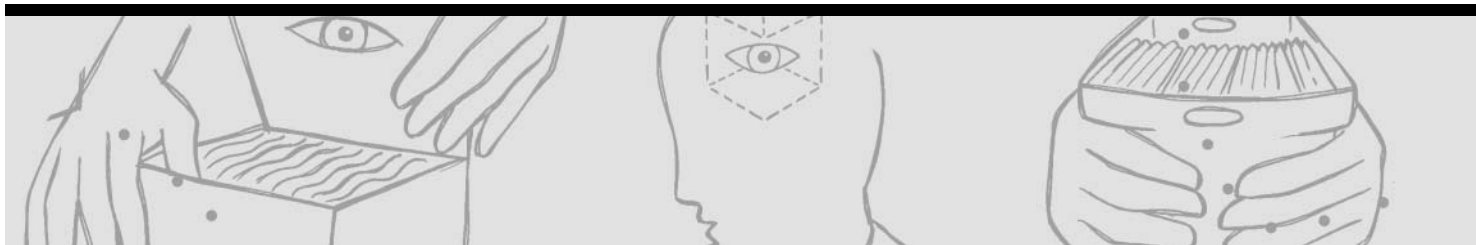
5. PROGRAMMES TO ACHIEVE NATIONAL TARGETS (CLAUSE 24)

The following are 2008 national recycling targets for recovery of packaging materials (by weight as a percentage of consumption):

- Aluminium 65%
- Glass 55%
- Paper 70%
- Steel 43%
- Plastic 23%

All sectors will review these targets and materials within two years of signing the Accord. A plastic shopping bag reduction target, by quantity, will be identified in the *Brand Owners and Retailers Sector Action Plan*.

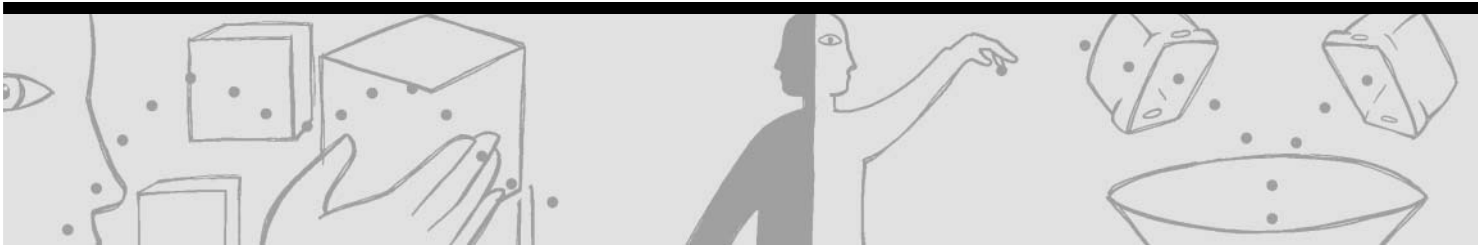
COMMITMENT	ACTIVITIES	YEAR
COMPANY/ORGANISATION		
Contribute to recovery and recycling systems.	Each company will work with their recycling and waste service contractors to maximise the recovery of all in-house packaging waste including plastic, paper, glass, aluminium and steel.	Years 1-5
	Each company will ensure that all product design reviews assess the ability to recycle the product in its specific end market/s.	Years 2-5
SECTOR		
Use mass balance (and SWAP) data to track and report progress against targets.	Plastics New Zealand will issue an annual industry report detailing progress against the plastics recycling target. This will include details of specific projects and initiatives that have been implemented to increase levels of plastic packaging recycling.	Years 2-5
	Plastics New Zealand will initiate and assist in the development of a common plastics waste strategy for all Accord parties.	Years 2-5
JOINT		
Identify and address recovery issues. Meet agreed national recycling targets.	Develop and/or participate in joint forums required to facilitate plastic packaging recycling.	Years 1-5
	Establish communication channels to notify recyclers of significant changes in packaging material.	
	Ensure sectoral cooperation to reach national recycling targets by 2008.	
	Facilitate and participate in other reviews and working parties as required.	



6. CONSUMER INFORMATION AND INVOLVEMENT (CLAUSE 25)

Ways of informing consumers and involving them in sustainable packaging design and packaging resource recovery programmes must be developed. Consumers must be made more aware of packaging issues and empowered to act on their decisions about packaging purchases, recovery and disposal.

COMMITMENT	ACTIVITIES	YEAR
COMPANY/ORGANISATION		
Implement relevant parts of the programme.	Each company will: <ul style="list-style-type: none"> encourage the labelling of products in accordance with the plastics identification code or provide clear disposal instructions implement relevant parts of the Accord communications strategy by participating with Plastics New Zealand in the development of communications/media strategies promoting consumer information and involvement in the Accord. 	Years 1-5
	Promote any relevant industry awards: <ul style="list-style-type: none"> plastics industry awards plastics secondary schools design award PAC.NZ awards 	Years 1-5
SECTOR		
Assess programme and develop an implementation strategy.	Develop and implement communications/media strategies to promote consumer information and involvement in the Accord.	Years 1-5
<i>Provide resources educating consumers about sustainable plastics packaging.*</i>	Align the www.plastics.org.nz website with other resources and provide additional links where relevant.	Years 1-5
	Publish an annual report on the New Zealand plastics industry to ensure stakeholders are better informed.	Years 1-5
	Update the <i>Plastics New Zealand School Education Kit</i> .	Year 1
	Provide free online resources for New Zealand schools, councils and public: www.plastics.org.nz	Years 1-5



JOINT

Develop a communication strategy for consumer information on the Accord.

Establish a representative working group to:

Years 1-5

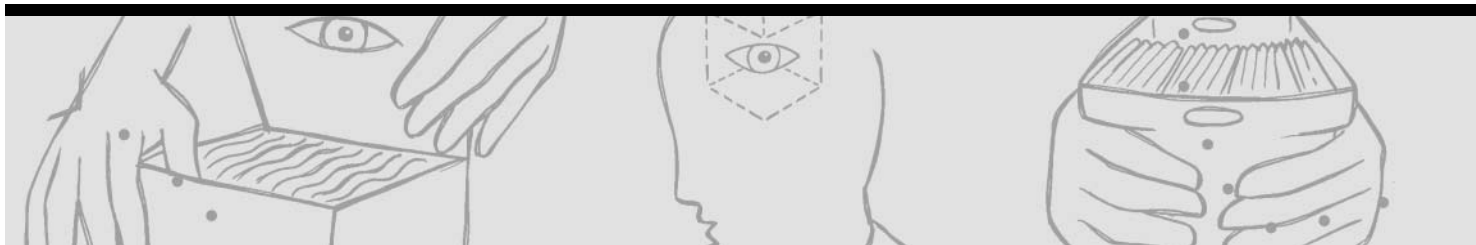
- Identify the critical components in educational material, cost-effective means for delivering messages and a timeline for implementation of activities. (This group should consider the timeframe over which educational materials will be produced and delivered and the date for review and modification of any programme).
- Review and evaluate existing educational material and programmes. Also identify other specific opportunities that will support the Accord generally, and the sectors in particular.
- Identify aspects which are consistent or inconsistent with Accord objectives and amend/delete them where they serve no other or a redundant purpose. Where programmes are consistent with objectives, critical factors are to be promoted and included in current and new programmes.
- Develop clear, generic messages capable of implementation by all sector groups and appropriate for scaling to the size of individual operations. There should not only be consistency of message but also consistency of delivery.
- Ensure that generic messages are aligned with existing material.
- Identify and act on opportunities related to the *New Zealand Waste Strategy* and other programmes, such as *lifeafterwaste*.
- Identify effective ways of conveying information about packaging and the *PAC.NZ Code of Practice for the Packaging of Consumer Goods* and the complaints procedures it contains.

Inform consumers about the need for and the role of packaging eg, health and safety, tampering/pilfering, social and economic issues, its contribution to the total solid waste stream, levels of packaging recovery and recycling, the environmental footprint of packaging types, gains made in packaging performance and recovery to date and the part consumers can play in the Accord.

Monitor and review results and improve consumer information and education strategies as required.

Years 3-5

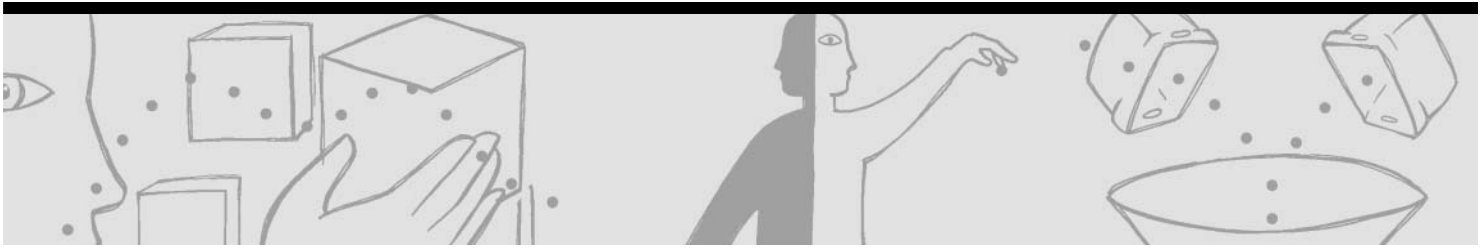
*Plastics sector action plan specific commitment



7. ACCORD PROMOTION (CLAUSE 26)

Ensuring target sector and consumer audiences know about the Accord and that its issues involve them, as well as ensuring they understand the commitments embodied in sector action plans. It is also important to promote and recognise excellence in environmentally acceptable packaging.

COMMITMENT	ACTIVITIES	YEAR
COMPANY/ORGANISATION		
Promote the Accord within the company/organisation.	Each company will ensure that employees are aware of the Accord, its objectives, the commitments made and their obligations under it.	Years 1-5
	Each company will ensure that all its suppliers and customers are also aware of their obligations.	Years 1-5
	Raw material suppliers will promote the Accord by providing access to the best technology options available for packaging solutions.	Years 1-5
SECTOR		
Promote the Accord within the sector.	Participate in development and implementation of the Accord communications strategy.	Year 1
	Ensure all New Zealand plastics packaging manufacturers and their customers are informed about the Accord through: <ul style="list-style-type: none"> • industry newsletters • website content • awards promotions • seminars • marketing material. 	Years 1-5
JOINT		
Work with other sectors to promote the Accord.	Develop concise and consistent messages for promotion within extended sector groups.	Years 1-5
Target audiences: <ul style="list-style-type: none"> • signatories to the Accord (sector groups) • entire packaged goods industry (internal and external) • local government • central government • supply chain • media • consumers. 	Promote and encourage participation in environmental awards programmes such as the Environmentally Acceptable Packaging Awards (PAC.NZ) and the Green Ribbon Awards (Ministry for the Environment). Provide ongoing assessment of the delivery of these messages.	

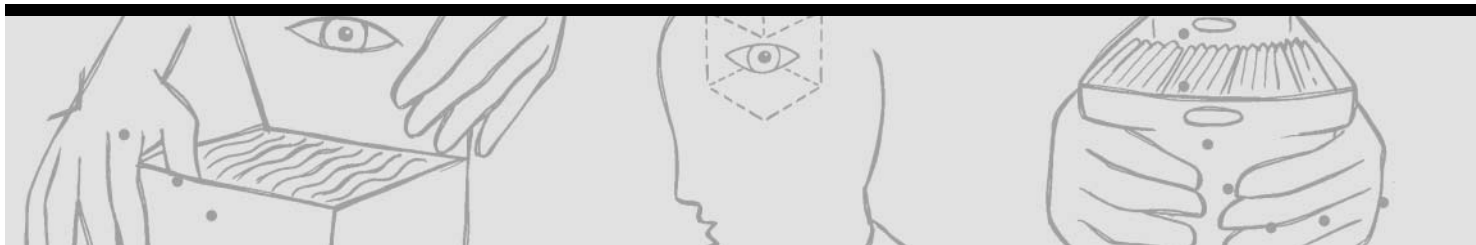


8. IN-HOUSE WASTE REDUCTION AND RESOURCE RECOVERY (CLAUSE 27)

Promoting in-house waste reduction and resource recovery across sectors and reporting annually on any initiatives.

COMMITMENT	ACTIVITIES	YEAR
COMPANY/ORGANISATION		
Initiatives to reduce waste and improve resource recovery.	Complete plastics EKPI survey annually.	Years 1-5
	Add waste minimisation benchmarking to regular management reports.	Years 2-5
SECTOR		
Report the number/percentage of organisations with initiatives. <i>Implement industry training to ensure that plastics companies develop the capability to adopt waste minimisation practises including cleaner production, design, labelling and recyclability.*</i>	Plastics New Zealand will measure and report on the waste minimisation initiatives of plastic packaging manufacturers annually through the EKPI survey.	Years 2-5
	Continue to provide the <i>Plastics Environmental Best Practice Programme (PEBPP)</i> :	Years 1-5
	• 12 companies complete best practice projects	Year 1
	• more than 24 companies participating in best practice projects each year	Years 2-5
	• report on PEBPP findings	Years 1-5
	• provide regional PEBPP training workshops.	Years 1-5
	Share waste minimisation ideas and innovations with the industry through: <ul style="list-style-type: none"> • PEBPP • newsletters • website content • seminars and workshops <p>The New Zealand plastics industry will assist other Accord parties to minimise the generation of plastics waste where possible.</p>	
JOINT (NO JOINT COMMITMENT)		

**Plastics sector action plan specific commitment*



APPENDIX

MEASUREMENT AND MONITORING

This action plan provides for environmental performance, evaluation and reporting. Two surveys will be undertaken to provide data to support Accord performance measures:

MASS BALANCE SURVEY

All raw materials for the New Zealand plastics industry are imported, with the exception of some additives like calcium carbonate. Since 1995, Plastics New Zealand has been conducting an annual mass balance survey of New Zealand plastic production and recycling. There are two surveys conducted to compile these statistics, one for manufacturers and the other for recyclers. Individual responses to both surveys are confidential.

The manufacturers' survey requires data on the six main types of plastic including weight and type of product. It also identifies which products are sold within New Zealand, which are exported and how much waste plastic is created and recycled by the industry. A spreadsheet format is used to extrapolate these figures against Statistics New Zealand's import data for virgin raw plastic material, thus giving an overall picture of the industry and indicating what proportion of plastic has remained in the country.

Plastics New Zealand also conducts a confidential telephone survey of New Zealand plastic recyclers. This survey focuses on the volume and type of plastic collected and recycled, and current issues, concerns and market conditions.

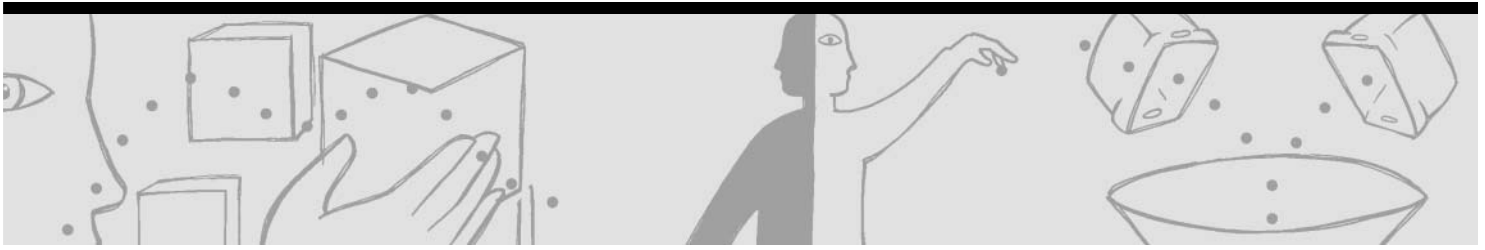
Results of both surveys are publicly available on the Plastics New Zealand website www.plastics.org.nz in the PLASTICS IN NEW ZEALAND section.

ENVIRONMENTAL KEY PERFORMANCE INDICATORS SURVEY

Under the *Plastics Environmental Best Practice Programme*, with the support of the Ministry for the Environment's Sustainable Management Fund, a sector environmental key performance indicators survey has been developed for the plastics industry. This is currently being trialled with *Best Practice Programme* participants. This survey will be extended on a voluntary basis to the rest of the sector from 2005 and reported on from 2006.

For the purposes of this sector action plan the survey will establish key performance indicators relating to waste minimisation and supply chain management as required in Clauses 22 and 27 of the Accord. This data will be reported on in the sector's annual report, which will also document progress on cooperative ventures with other sectors and discuss progress in overcoming barriers and providing frameworks to support sustainable resource efficiency.

The *Plastics New Zealand Annual Report* is publicly available at www.plastics.org.nz in the NEWS & INFO section under Publications.



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