

# A guide to effective packaging sustainability assessments





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## Purpose of the guide

Signatories to the Australian Packaging Covenant (APC) have committed to developing and implementing systems that '*optimise packaging to achieve resource efficiency and reduce environmental impact without compromising product quality and safety*'. This commitment is underpinned by two key elements:

- Incorporating the [Sustainable Packaging Guidelines](#) (SPG) into the packaging design or procurement process, to ensure that sustainability criteria are considered along with other performance criteria for future packaging; and
- Assessing existing packaging formats to identify opportunities to improve the packaging designed, procured and used by the signatory.

The aim of this document is to provide signatories with a guide to packaging assessments that will meet their commitments to the APC, as well as driving business benefits through improved packaging. Several case studies are mentioned throughout; please take the time to [review these](#) for ideas on how to practically apply the content of this guide.

A packaging assessment need not be complex, and can be carried out by an internal team with limited environmental expertise. You may even be surprised by the outcomes – most assessments identify at least one feasible improvement opportunity.

**A packaging assessment is the systematic, documented review of packaging to:**

- understand its potential environmental impacts; and
- identify opportunities to achieve increased resource efficiency and reduced environmental impact.





## Step-by-step process for effective packaging assessment

A systematic approach to packaging assessments will help to meet your APC commitments while optimising the business benefits. There are four key steps (outlined in **Figure 1** below).



**Figure 1: The four steps to effective packaging assessments**

### 1. Understand your APC commitments

As a signatory to the APC you have committed to:

- Assess existing packaging – this involves developing and following a schedule to assess existing packaging against the SPG. The opportunities identified through these assessments will inform discussions with suppliers and future product development projects.
- Assess new packaging – this relates to incorporating the SPG into the design or procurement process to ensure that packaging sustainability criteria are considered within the new product development process.

**Resources that can assist you at this step:**

Performance goals and KPIs

Sustainable Packaging Guidelines

If you are new to the APC, or have just been given responsibility for your company's APC action plan, it may be useful to undertake a [gap analysis](#) review to identify any discrepancies between your existing approach and your APC commitments, and plan an appropriate course of action for your organisation. It is essential that you understand:

- what has already been done towards meeting your packaging assessment commitments (locally and globally); and
- what still needs to be done.

As with your other APC activities, packaging assessments should be detailed within your organisation's action plan. The following should be detailed under KPI 1:





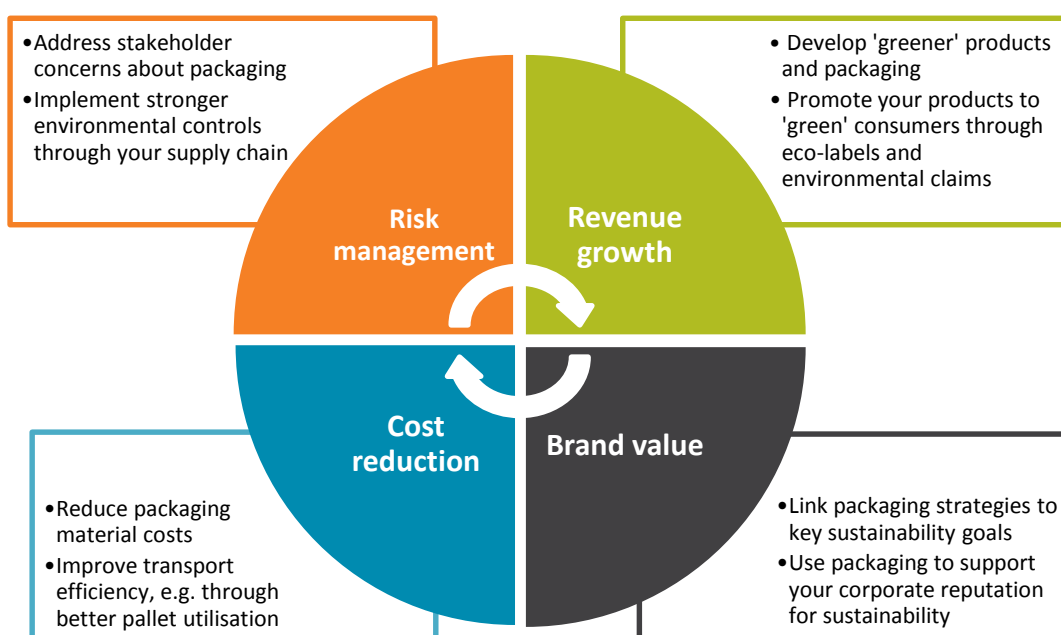
- How the principles of the SPG will be incorporated into the design or procurement process; and
- A schedule for the assessment of existing packaging groups.

## 2. Understand how your business objectives align with the APC goals

To be most effective, packaging assessments should align with your company's sustainability goals and other business objectives. Questions to ask are:

What are our business objectives for sustainability?	Are we most concerned about risk management, cost reduction, brand value or revenue growth? Do we have any specific goals or targets that are relevant to packaging, e.g. for energy efficiency, material reduction, recyclability, or waste?
What are the key sustainability concerns for our packaging?	What are the areas of greatest environmental or social impact? What issues do our stakeholders care most about?
Are there any other business goals or priorities that we can support through our packaging strategy?	Can we link our APC commitments to an existing business improvement process?

Linking your packaging sustainability strategies to other corporate objectives and priorities will help you to build a stronger business case for packaging improvements. Some companies have a strong focus on risk management, while others emphasise revenue growth, brand value or cost reduction (see **Figure 2**), each of which has different implications for packaging.



**Figure 2: Linking packaging strategy to corporate sustainability goals**





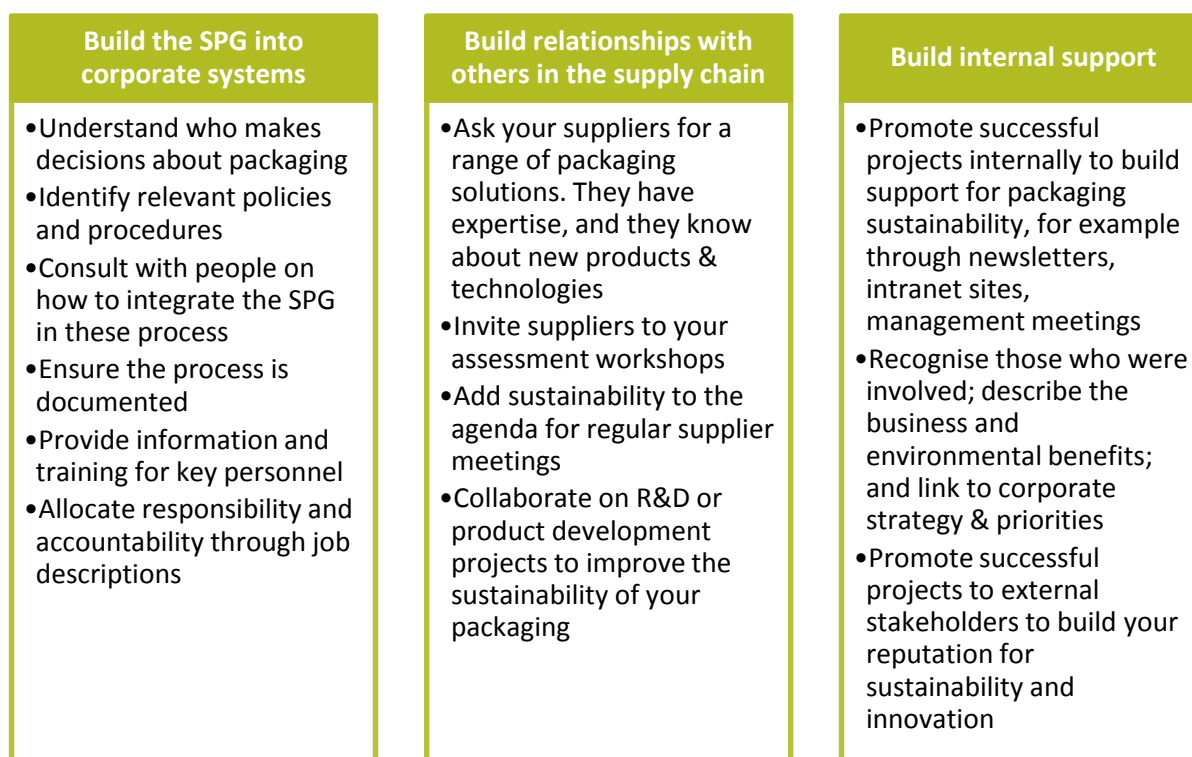
## Case study 1: Aligning business objectives with APC goals- Haigh's Chocolates

Sustainability is integral to the Haigh's brand because customers value and support the company's environmental initiatives. This was demonstrated in 2012 when Haigh's ran a campaign to promote their commitment to the environment and the APC, using signage in retail windows and positive news stories online and in social media. The campaign attracted positive feedback from customers. Further details regarding packaging assessment at Haigh's can be found [here](#).

### 3. Integrate the SPG into business systems

If packaging assessments are undertaken by an environmental or packaging specialist, without being integrated into core business processes, they may be seen as a compliance activity rather than a business improvement process and therefore become less likely to lead to beneficial outcomes. A more strategic approach (as listed in **Figure 3**) is to:

- adapt existing business systems to include packaging assessments;
- use the principles of the SPG to build relationships with suppliers; and
- build internal support for the SPG, APC and packaging assessments.



**Figure 3: Integrating the SPG in business systems and processes**

The packaging assessment process and the SPG can be adapted to meet your company's particular circumstances. The Fuji Xerox Eco Manufacturing Centre, for example, has integrated the SPG into their new product development process.





Case study 2: Integrating the SPG in business processes- [Fuji Xerox eco manufacturing centre](#)

Fuji Xerox has a gated product development process that requires sign-off by key personnel at different stages. This is managed using the *Engineering development group project commission checklist*, which documents the fact that key tasks have been completed prior to product launch. The Eco Manufacturing Centre has added a new step – a sustainability representative now has to sign the document to say that the Packaging Covenant Checklist has been completed.

Some common queries about packaging assessments and their relationship to business systems are answered below.

***How can I assess packaging when I'm part of a global company and have little control over packaging?***

If the assessment of new packaging is occurring at a global head office (or similar), don't replicate the process. Instead, obtain these assessments and ensure they address the SPG. [Robert Bosch](#) has identified existing processes through which it can influence design and procurement at a global level, particularly through a focus on locally procured packaging (see

***How can I assess packaging when my products are all imported?***

It is still important for you to assess your packaging, and identify opportunities. Talk to your suppliers about potential improvements, and find out whether they can incorporate any of your ideas. You should document the outcome of discussions or correspondence for APC audit purposes. If general discussions with your suppliers regarding the design of your packaging are challenging, consider identifying the key packaging sustainability criteria relevant to your packaging and embedding these within future tenders, requests for information and/or supplier contracts.

It is important that you focus on areas of greatest influence, such as secondary packaging, distribution packaging, labelling and artwork. You can also work with your customers to help them recycle your packaging (as per goal 3 of the Covenant).

Companies that import products and sell them under their own brand may have more influence. Officeworks is one such company, and is developing short guidelines for each of their major own-brand categories (see **Case study 2**).





Case study 1).

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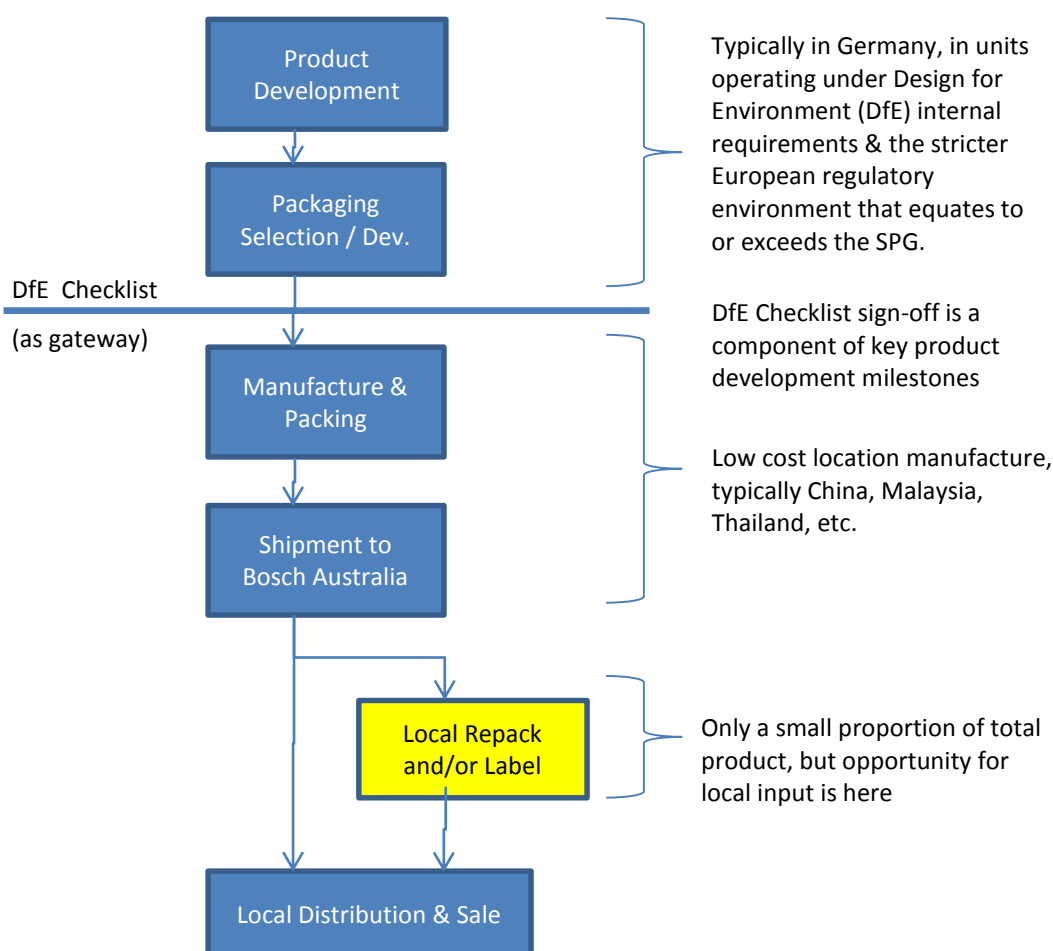
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## Case study 1: Robert Bosch product development process



**Figure 4: The product development process and DfE Norm usage at Bosch**

## Case study 2: Adapting the SPG to meet company needs - [Officeworks](#)

Officeworks is developing a set of brief packaging sustainability guidelines for each product category. These will:

- use the SPG as the starting point to ensure that all relevant issues are considered;
- focus on the key issues for each product category, such as material efficiency and recyclability for distribution packaging;
- be customised for each product category so that buyers and suppliers understand their relevance and how they can be applied; and
- provide clear and direct instructions where relevant, so that suppliers know exactly what is expected.





#### 4. Undertake packaging assessments

The assessment process should be designed to meet your needs. There are several important steps to include:

- develop a schedule for the assessment of existing packaging;
- choose or adapt a checklist to guide the assessment workshops; and
- document the outcomes.

##### The assessment schedule

Allocate your existing packaging to groups for packaging assessments in a way that makes sense for your business, e.g. by product or packaging types, by business group, or by SKU. This will make the assessment of your existing packaging more manageable. A hypothetical example for a building products supplier is shown in **Table 1**.

The purpose of grouping products is to apply the learnings from one product assessment to other similar products. It is important to group products that have similar properties so that the results of one assessment are applicable to the other items in the group. Determine who needs to be involved, including suppliers, and develop a timetable for assessments.

**Table 1: Hypothetical schedule for existing packaging assessments**

Packaging types	Milestone for completion
Corrugated shippers	Q2 2013-14
Shelf ready cartons	Q1 2014-15
Plastic pails	Q2 2014-15
Plastic tubes	Q3 2014-15
Paper bags	Q4 2014-15

##### The Sustainable Packaging Guidelines (SPGs) checklist

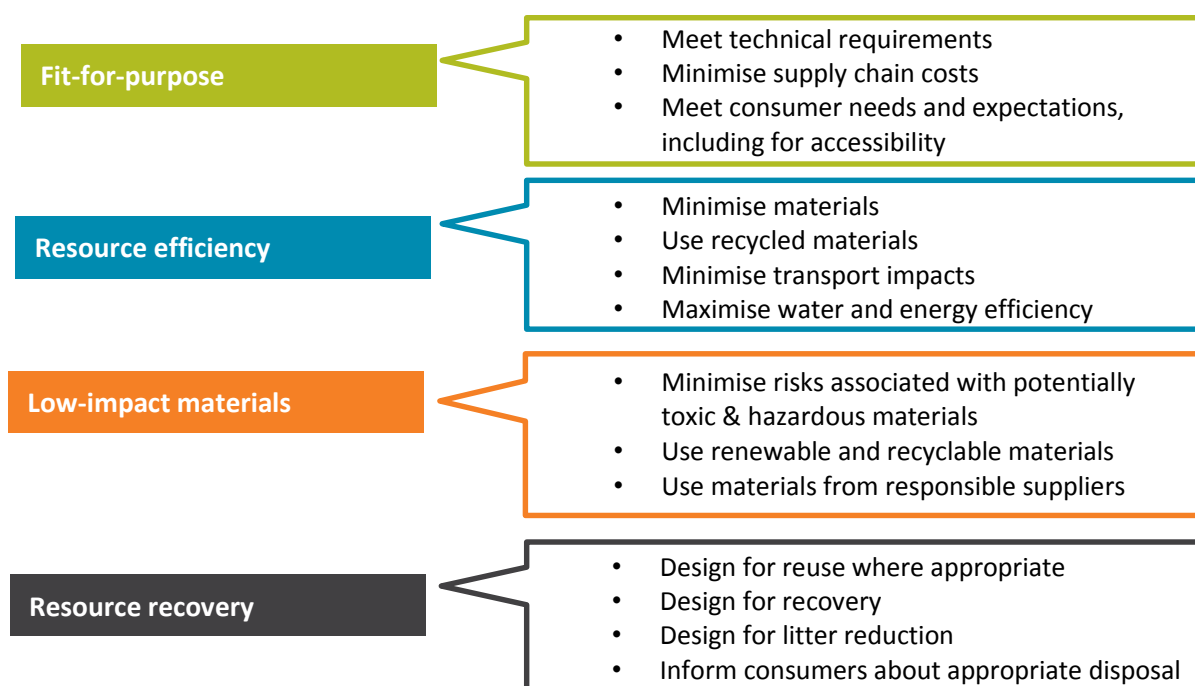
The SPG are based on four principles, (figure 4, below). Additional strategies and questions are included in the SPG [document](#) to inform the assessment process, but some of these will be more relevant to your products than others. [A simple template](#) in Word or Excel can be used to guide and record the assessment.

Resources that can assist you:

[Detailed template](#)

[Streamlined template](#)





**Figure 4: The four principles of the SPG**

## Running a packaging assessment workshop

Many organisations benefit from holding packaging assessment workshops that include a broad group of participants with a range of expertise and experience. Internal participants could include representatives from marketing, procurement, production and environment. It may be beneficial to invite one or two of your key suppliers – they have expertise and can help you with some of the more technical information.

A workshop will normally take one to two hours. Depending on the available time and personnel, it could involve:

- discussion on business context - the packaging system, its functionality and any issues of concern from a business perspective (e.g. quality, performance, cost, efficiency);
- a life cycle [mapping exercise](#) using a white board or butchers paper;
- working through and filling out an [packaging assessment checklist](#);
- prioritising the identified opportunities; and
- agreeing on next steps.

Following the workshop, address any information gaps (this will likely require discussions with suppliers), document the outcomes and implement any follow-up actions.





### Documenting the outcomes

A good document management system is essential. The outcomes of each packaging assessment should be easily accessed by other internal team members, for example to inform the next redesign or update of packaging.

A good document management system will also be useful if your company is audited by the APC. You should be able to quickly access documents that describe and illustrate your packaging assessment processes. Further information regarding preparing for an audit can be found [here](#).

### Conclusions

The processes outlined here will help you in meeting your commitment as signatory to the APC to assess new and existing packaging against the SPG. This in turn will help you to identify packaging improvements that:

- reduce environmental impacts, for example by avoiding or minimising the use of materials or improving recyclability;
- reduce costs, for example by reducing the amount of material or improving transport efficiencies; and
- help to achieve your corporate sustainability and business objectives.

For further information it is suggested that you review the following [packaging sustainability assessment case studies](#):

Haigh's Chocolates: Leading the way in packaging sustainability

Officeworks: Procurement guidelines for private label products

FujiXerox Australia: Packaging sustainability as a continuous improvement process

Robert Bosch Australia: Achieving change within a global company

ARDEX Australia: A new Covenant signatory finds significant savings

