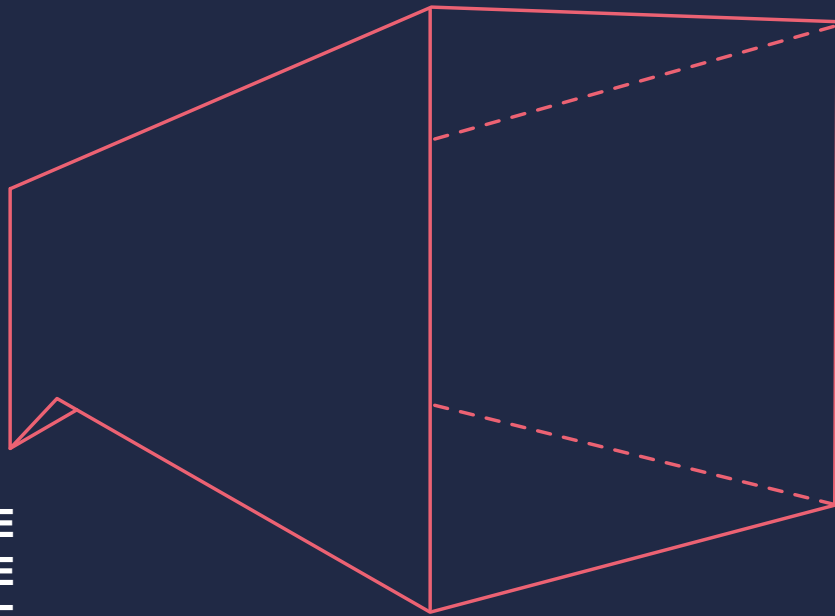


**ONE  
TRUE  
VOICE**



**Working inside New Zealand's  
packaging industry is a  
constant balancing act  
between managing public  
perception and providing  
positive public health  
outcomes. Our industry  
deserves the best available  
advocacy, support, advice,  
resources and tools.  
Above all it needs one voice.  
The voice of reason.**



## President's Message

I attended the United Nations Oceans Conference held in Lisbon on the last week of July this year. It was the first opportunity to be outside New Zealand since our borders closed on the 19th of March 2020. Six thousand participants, including 24 Heads of State and Government, and over 2,000 representatives of civil society were there to turn the tide on an ocean emergency.

Despite a sincere earnestness to discuss solutions with some 700 pledges being made it felt similar in tone and intent to my first Ocean's Conference in Washington in 2015.

If I use a similar lens, New Zealand's responsiveness to the relentlessness of climate change and walking towards carbon neutrality will require us to be more than pandemic fit. In fact it is arguable that the "inconvenience" of responding to a pandemic may be providing the quality of reflecting on government policy that should shape and encourage our collective behaviour as active citizens and a participating private sector. Packaging NZ has a voice, we believe we have something worthwhile to contribute and we wish to be heard.

For the 2021 2022 period, our executive in lobbying for the interests of our membership, have been articulate with Government around the following themes

- The rate of change is faster than we can plan for (thank you Windsor Yang for this insight)
- Without exception all our membership's priorities are foremost responding to carbon neutrality.
- For the private sector to invest in a circular economy we need a long runway to achieve a return on investment.
- In policy setting we are looking for clarity of purpose, collaboration, transparency and an understanding of trade-offs.

We have been clear in all discussions and submissions with the Ministry for the Environment that though we are at times agnostic to their solutions (for example Container Recycling Scheme) we have been consistent with conveying the above themes. Submissions are a poor proxy for designing policy. We are hopeful that this will change.

As we head into the 2022- 2023 years I am appreciative of the support around us: PrintNZ and Ruth Cobb, BRG and Georgie Stylianou, Tetra Pac and Julie Evans, Fuji Xerox and Alistair Egan, Oji Fibre Solutions and Andreas Hausrer, Sealed Air and Andrew Fox, Fonterra and Arron Atkinson, SCION and Florian Graichen, Jenkins Labels and Jamie Lunam, Exemplar NZ and Lawrence Olsen, Plastics NZ and Rachel Barker, Opal Kiwi Packaging and Richard Hoskin.

Each of the executive have committed to stay the course for 2022- 2023. Thank you. This will allow us to maintain the momentum that we have to date. As we head into a General Election next year we need to ensure that the voice of our membership is articulated to those who wish to lead the country.

Finally a big thankyou to Murray Parrish. He is stepping down from Oji Fibre Solutions and therefore his role as the Vice President of Packaging NZ. Murray has been around 'forever'. He is articulate, principled, loves the art of debate, acerbic to those who are self-serving and careless. He is a seasoned lobbyist and consequently can string seemingly disconnected concepts together eloquently. He is part of a fearless group of Murray-likes who are purposeful and genuinely enjoy the thrust of the sport of lobbying. I must also acknowledge his wife Robyn. I am sure that those projects around the house will receive the same rigour that he has applied to his professional career.

**Harry Burkhardt**  
President



## Vice President's Message

I have been with PacNZ for decades having first been involved with its precursor, the Packaging Accord. I am taking this opportunity to provide a few brief reflections.

My recollection is we in PacNZ have always attempted to deal with issues realistically and pragmatically. We have refused to succumb to the comfort of obfuscation and platitude where the outcome is 'kicking the proverbial can' for other nations and generations to deal with. To my mind the reason for our resolve is the commercial imperative we all feel, where denying the *reality* of customers' expectations never ends well. I have italicised reality to emphasise that for us, that word encompasses quality and price as much or more than the subjective, the 'public interest' and the 'feel good'.

This is not to suggest subjective realities are not important. Far from it. PacNZ have never denied the very real problems of climate change, ever-expanding landfills and marine litter impacting the oceans. Our stance has been to advocate for action including policy that will make a meaningful difference, however small. Neither NZ's environment or economy is helped by inadequate packaging that results in the product it contains spoiling or breaking in transit.

"Efficacious packaging" (a favourite term) is a complex and multi-faceted judgement that neither 'private' or 'public' interests can determine in isolation. Our repeated call for a return to the collaboration achieved on packaging waste under the Packaging Accord model is motivated by the perceived need for meaningful compromise and the investment certainty that flows from it.

Time may have added an unrealistic rose tint to the achievements of the Accord. Certainly it took direct intervention to replace plastic shopping bags with bags consumers now pay for. NZ's continued reliance on landfill, increased GHG emissions and unresolved litter suggest what has come after has not fared a great deal better overall.

It's not possible to change the laws of physics with a parliamentary majority. Some change in human behaviour and the commercial reality flowing from it is possible, often at the cost of a parliamentary majority! I am constantly encouraged by the membership's willingness to stick with the Board's strategy of speaking 'uncomfortable truths' where the situation and logic demand.

Kia kaha.

*M Parrish*

**Murray Parrish**  
Vice President



# Communications/ Advocacy Report

"Packaging has a voice, we believe we have something worthwhile to contribute and we wish to be heard." - Harry Burkhardt

Communication and advocacy to ensure our shared voice is heard is the backbone of Packaging NZ. In the past year we have proactively and steadfastly pursued this advocacy through a range of channels and with a defined and united message. We've been advocating on your behalf on an array of topics, with our obvious focus areas being waste, recycling, and the circular economy. Other areas have, of course, included carbon reduction, supply chain disruption, and employment and workforce issues.

Our industry has been operating in an environment of tremendous uncertainty and rapid change. Our members have been grappling with running successful businesses during turbulence, as well as responding to calls for submissions on significant government plans that will affect us all, but which have not necessarily considered the impact on our vital industry.

Our communications programme has been focusing on the importance of packaging to New Zealand's economy and its future success as a circular economy. Packaging NZ has focused on four key active advocacy communication initiatives:

- Ensure a clear and consistent message (as outlined in the President's report)
- Complete clear submissions on all relevant work programmes
- Strengthen proactive advocacy with local and central Government on the issues facing our industry
- Create and follow up on mainstream media opportunities

## Strengthening active advocacy with local and central Government on the issues facing our industry

Throughout the year, we have been keeping Ministers, Beehive staff and Opposition MPs abreast of the key issues facing our sector and how proposed legislation will affect it. Our relationship continues to strengthen in this area, with the Minister and staff from the Ministry for the Environment welcoming our pragmatic approach.

We have recently met with Environment Minister David Parker to discuss policy gaps in the Government's waste and circular economy programme and to help ensure that our members' views are represented. We emphasised the need for clear articulation of the Government's priorities around waste, recycling, circular economy, trade settings, and more transparency about the trade-offs associated with our multiple targets and goals including carbon reduction.

In addition to this, our team has also consistently had face-to-face meetings with key policy advisors at the Ministry for the Environment.

The huge workload on the Government's plate has seen the timelines for the new waste legislation slip, with it now looking unlikely to be passed before the election next year. Decisions on the Container Return Scheme may be made in November, but delay seems likely.

The refreshed Waste Strategy is due to be published before Christmas, but the investment principles that will guide the disbursement of the Waste Minimisation Fund are yet to be publicly released. We have since followed up our meeting with the Minister with a letter, outlining the points below:

- Commercial viability of New Zealand businesses is threatened, as they are no longer on a level playing field internationally. Increased Government intervention is being seen in many places overseas. In particular, our closest trading partner Australia, financially supports waste minimisation, recycling and the uptake of circularity in a way that is not matched in New Zealand, giving producers in those markets a competitive advantage;
- The lack of clarity around the disbursement of the \$300 million per annum Waste Levy Fund is delaying investment decisions and causing concern about unintended consequences, i.e. putting existing recycling businesses out of business;
- There are tradeoffs between zero waste and zero carbon and Government guidance to help businesses make informed decisions is lacking (more on this below);
- The current sequencing of various government workstreams and policy decisions is creating confusion and we do not believe there has been adequate meaningful engagement with the private sector.

We will keep our members informed about how this conversation progresses.

Moving into an election year, and with the latest polls showing it'll be a drag race, we need to ensure we're engaging with Opposition and support parties as well.

### Clear Submissions on all relevant work programmes

The appointment of Georgina Stylianou, from Wellington-based government relations and communications firm BRG, continues to deliver for us. We have seen excellent results as a result of Georgie being based right there on the ground in Wellington. She has combined her industry and 'inside Government' experience to provide valuable insights into the inner workings resulting in a much better understanding of how we can best make our voice heard. Often this must be opportunistic, and other times it involves managing the process of submitting on legislation.

### Submissions have been made on:

- 'Transforming recycling' consultation from the Ministry for the Environment
- 'Taking responsibility for our waste' consultation from the Ministry for the Environment
- 'Advanced Manufacturing Industry Transformation Plan' consultation from the Ministry of Business, Innovation and Employment.

### Annual General Meeting

We're pleased to have Climate Change Minister James Shaw attend our AGM and look forward to having more lively discussions with the Government, Opposition and officials in the coming months.

### Wrapping Up

It's heartening to see that our voice is being heard and listened to. That said, there is more work to do. Although the advocacy aspect of our initiatives has accelerated, and rightly so, it is also important to keep all the good things our industry is doing to the fore.

Our products serve an irreplaceable function - to deliver products in good condition and often to deliver food in a safe and waste free way. New Zealand is an export-based economy, and our industry allows our exports to reach their markets. Keep the stories coming so that we can communicate how essential packaging is, how much it actually saves and how much it allows New Zealand to earn.



**Julie Evans**

Communications Committee



Scion's packaging programme remains a critical pillar of our organisation's vision and 2030 strategy – Transitioning New Zealand to a Circular Bioeconomy. All science and innovation within Scion's packaging programme are based on circular principles. Transitioning an export/import-dependent nation like New Zealand to a circular bioeconomy without appropriate packaging solutions is impossible. Packaging is and will remain one of the significant value multipliers for New Zealand's export-focused economy. Packaging is one of the critical enablers of exporting products – protecting them – but also now embedding features such as traceability, design aspects, reuse, recyclability, degradability and overall sustainability. Scion is continuing our strong partnerships with key national and international stakeholders – such as Packaging NZ, Packaging Forum, Australian Packaging Covenant, Ministry for the Environment, NZ-China Food Protection Network, Massey University, Plant and Food Research, Circularity and Sustainable Business Network.

Examples of Scion's innovation activities include:

To achieve a circular bioeconomy in New Zealand, Scion aims to ensure that 100% of the developed packaging solutions can either be reused, recycled or composted whilst reducing spoilage or waste of goods transported. One way that Scion aims to achieve this is by developing smart packaging solutions/printed electronics that could improve the logistics/tracking of packaging from the manufacturer right through to the supermarket or recycling. For example, such technology could provide information on temperature, integrity, freshness or aid in recycling sorting.

Genuinely biodegradable plastics that have undergone appropriate and certified testing have a critical role when developing products with sustainable end-of-life solutions. In addition, biodegradable plastics are an excellent solution for products where options like reuse or recycling are not possible or feasible. Scion is supporting numerous organisations ensuring their products meet biodegradation standards and also assisting companies such as Plentyful to develop new technologies and processes to convert organic waste into biodegradable biopolymers such as PHA. Plentyful was recently awarded \$2M from the Regional Strategic Partnership Fund to begin developing a high-class manufacturing facility in Marton.

Unfortunately, many current biodegradable polymers suffer from slow or unpredictable biodegradation rates or perform poorly under anaerobic conditions. To overcome this, we are developing smart degradable plastics that utilise enzymatic catalysis to assist degradation. This technology could also be adapted for solvent-free and scalable recycling of plastics.

The humble cardboard box is the unsung hero of the New Zealand economy. Every year, billions of dollars of exports are shipped overseas in boxes made from corrugated paper. Many of them carry fruit, butter or meat that needs to be stored in cool stores for months at a time – but not all of them will make it, which is why researchers are trying to improve them so they can better withstand the rigours of chilling and shipping. Scion is working on better design and material solutions to overcome these issues – including innovative biomimicry-inspired approaches, light weighting, and increasing the resistance to water.

Packaging media can also carry a story, especially internationally, with those who share similar values. Utilising homegrown eco-packaging can serve to help differentiate New Zealand products. Scion is exploring a variety of feedstocks for moulded fibre processes which are easily scalable and flexible and could be particularly relevant to regional development. There is an opportunity to incorporate indigenous fibres to differentiate high-value Māori products.

## Key messages

New Zealand's packaging sector is vital to the economic and social wellbeing of our country.

The sector not only enables our biggest export markets, it also employs more than 50,000 New Zealanders and generates significant revenue that accounts for about 2 per cent of GDP

Kiwis love the convenience and hygiene of packaging but less so some of the environmental issues associated with the industry, such as the waste stream.

For too long, successive governments have dealt only with the sector as a producer of waste without acknowledging the vital roles that packaging plays in society.

**85%**

of New Zealanders value sustainable packaging, with environmental concerns driving their purchases.

**61%**

of Kiwis state that sustainability has become one of their key considerations when choosing a product.

Packaging waste is about 350,000 tonnes per year, out of a total 15.5 million tonnes - only 2 per cent of New Zealand's total waste.

As the peak body for the packaging sector, Packaging NZ understands there's work to be done. We're committed to working with our customers to foster the 'circular economy' needed to achieve a 'zero waste to landfill' future.