



# Australian Packaging Covenant

*Smarter packaging, less waste, cleaner environment*

## STATEMENT – 2011 RECYCLING DATA

24th November 2011

### The Recycling Rate for post-consumer packaging continues to improve

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**The Australian Packaging Covenant (APC) today announced an overall Recycling Rate of 63.1% for post-consumer packaging in Australia in 2011.**

The results reflect differing conditions affecting consumption and recovery of individual material types. Of significance are increases in recycling tonnes for all but one material type – glass, plastics, steel and aluminium cans have increased, with paper board at variance to the trend – reflecting the continuing effort being made by industry and jurisdictions to deliver recycling services and programs, whilst investing in infrastructure to increase and improve recycling capability in cities and regional areas across Australia. Packaging design and material choice are also producing positive results.

Diverse global and local conditions have impacted on consumer packaging sales and recycling in 2011. The flow-on impacts of reduced demand from Europe and North America for goods from China, as well as the consistently high A\$ exchange rates during the past twelve months, have weakened the demand for Australian recycled packaging. Market conditions in Australia have been labelled as a 'two tiered or two speed economy', represented by the booming resources industry at one speed and all other sectors moving at a slower pace. Industries that utilise packaging fall into the slower paced environment. Climatic conditions across Australia especially during the summer quarters provided considerable local impact; floods and cyclones in the three eastern states and continuation of the drought in other states reduced demand for new and recycled packaging, whilst also affecting local production capacity.

Through collaborative product stewardship actions, considerable improvement in the recycling rate has already been achieved from the 39% baseline established in 2003. All parties in the packaging supply chain and all levels of government remain focussed on the next target, the achievement of a 70% recycling rate by 2015.

**There have been continuing improvements in the recycling rates of individual product materials during this reporting period.**

The recycling rate for **paper board** packaging remains at 75.3%, with a 3% fall in both consumption and recovery this year. A reduction in demand from primary producers was of considerable impact, as farmers and growers coped with cyclones and floods in three states. Investment to expand domestic processing during 2010 coupled with the closure of plants and older processing technologies leaves the industry well-placed to respond to market demands in the future.

**Plastics** have reported difficult trading conditions due to the GFC. Of specific note is the increased competition of imported recycled plastic resin, given the favourable AUD for importation. Despite the conditions, the industry is able to report an increase in the plastics recycling rate of 2.7% to 37.5%. An additional 2,887 tonnes over the 2010 figure was recycled, on reduced consumption of 532,251 tonnes.

**Glass** consumption and recycling has jumped in 2011 largely due to improved processing capability and significant investment in away-from-home recycling activities. With consumption up by 62,808 tonnes, and recycling to a record 519,000 tonnes, the recycling rate has increased by 2.3% to 49.3%. The Packaging Covenant contribution to industry activities during the past three years have contributed to this change, and with a number of new regional glass projects during 2011/12, there is an expectation that more significant increases will follow.

For **steel**, the migration of paint and waste based chemicals to plastic packaging, plant rationalisation as well as upgrade of others, increased MRF processing capacity, down-gauging and light-weighting, have all contributed to the recycling rate to 34.2%, a 3.9% increase on last year.

Consumption of **aluminium** cans has grown to 57,196 tonnes, with increased recycling tonnage, yet the recycling rate of 64% is down from that of 2010. As **aerosol cans** are now recoverable and recycled, data is collated and reported at a consumption rate of 8,166 tonnes with a recycling rate of 44.8%. As this data is not yet included in the Recycling Rate methodology, it is not reflected in the overall Recycling Rate for 2011.

### ***Product Materials recycling rates for 2011 comparative to baseline 2003***

<b>Recycling Rate</b>	<b>Fibre*</b>	<b>Glass</b>	<b>Plastics</b>	<b>Steel Cans</b>	<b>Al Cans</b>	<b>Overall **</b>
2011 rates	75.3%	49.3%	37.5%	34.2%	64.0%	63.1%
2003 baseline	49%	26%	20%	36%	63%	39%

\* = paper & cardboard

\*\* = after applying the agreed weighted volume of recycling methodology

Consumption and recycling tonnages are available in the 2011 Covenant Performance Data table on the APC website. [www.packagingcovenant.org.au/page.php?name=covenantperformancedata](http://www.packagingcovenant.org.au/page.php?name=covenantperformancedata)

***Achieving the 2015 target of a 70% recycling rate will bring significant challenges to all within the packaging supply chain. In guiding the achievement of these recycling rates now and into the future, the APC with its strategic over-view is clearly focussed on what is needed for the management of post-consumer packaging Australia wide.***

#### **ABOUT THE APC**

The Australian Packaging Covenant (APC) is a commitment by governments and industry to the sustainable design, use and recovery of packaging, by encouraging improvements in packaging design, higher recycling rates and better stewardship of packaging. The Packaging Covenant is open-ended and builds upon the two previous Packaging Covenants, each of five years duration. Funding and other support for the implementation of the APC is provided by Commonwealth, state and territory governments and industry.

#### **ABOUT THE APCC**

The Australian Packaging Covenant Council has overall responsibility for developing and managing policy, strategy and compliance arrangements for the Covenant and is accountable to the EPHC. The Council is comprised of senior representatives of the jurisdictions that make up EPHC, industry associations, local government associations and community organisations.

#### **ABOUT THE NPCIA**

The NPCIA supplies services to implement the Covenant's arrangements in accordance with the contract between the NPCIA and the jurisdictions.

#### **CONTACT:**

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