



By Pierre Pienaar, CPP

# Effective Packaging in the Circular Economy: A Global View

Sustainability is an increasing priority for consumers when making packaging-related decisions, and often is central to a product's visual appeal. Many articles have been written on this subject and many of us have seen discerning customers in the supermarkets "pondering before purchasing."

What I have experienced in recent months is that many businesses have yet to prioritize sustainability and circularity when considering the design, use, and disposal of packaging, with the majority of packaging still single-use and non-recyclable. This needs to change, and consumers can force that change to happen more quickly.

Sustainable packaging has been a priority for some brand owners for more than a decade. As we move through the last quarter of 2021, we are seeing appropriate activities that address consumers' eagerness for brand owners that show the respect for the environment that judicious customers want to see. Consumers' increased awareness continues to drive the sustainable packaging mission of brand owners. By one estimate, 74% of consumers say they are willing to pay more for products that are packed in sustainable materials.

## Circular packaging solutions emerge

An encouraging development is that several organizations are attempting to improve this bleak course by investing time and money in the development of more circular packaging solutions. These leaders are creating solutions where packaging waste is either infinitely reprocessed or can re-enter the system as raw materials for other products. This is a good example of the circular economy in action. This is great news, and not just for environmental reasons. It helps generate business value as well. Unilever reported in an international study, "a third of consumers are now choosing to buy from brands they believe are doing social or environmental good."

Recyclable packaging seems to matter most to consumers because recycling is something they can do to contribute. However, in many areas, the business of recycling is struggling, especially in developing countries. This may well force brands to adopt other sustainable packaging options. We need to reach a point where more brands are doing the right thing than not. Once this happens, the pendulum will begin to swing on its own accord.

Several large companies are adopting targets as ambitious as using 100% recycled materials in the production of new packaging and limiting the use of unnecessary virgin materials. Unfortunately, recyclable packaging has some limitations. Collecting packaging at the

end of a product's useful life to kickstart the recycling process is one of the dominating barriers for organizations, especially for consumer goods companies whose products are used by millions of people around the world every day. Consumers often are unaware of how to take the extra steps needed to recycle or return packaging products, e.g. bottles and cans, or unwilling to change behaviors as there are no clear benefits for doing so.

One of the more prevalent issues is that systems often are not in place to support the recycling process. Generally, consumers want to do the right thing and separate packaging material types at home, but the infrastructure is not available to see the recycling process through creating a circular economy in packaging.

Across the world the deterioration of the environment caused by discarded man-made materials has reached critical levels, with negative impacts on ecosystems. There is no doubt that consumers globally are becoming more environmentally conscious, and it is a matter of course that consumers will drive packaging standards and demand that companies produce packaging that is more environmentally responsible.

Multinational companies have established that in creating better, environmentally acceptable packaging, new revenue streams have been created, offering competitive advantages within the industry.

## Strategic thinking needs more support

The push for improved design to allow easier recycling is beginning to happen across the globe. It is generally more prevalent in developed countries. A good example of this is a recently implemented World Packaging Organisation (WPO) guided system for packaging recycling in Indonesia, making sure that the industry follows suitable packaging design guidelines to ensure recyclability.

The challenge is to bring many more developing countries into that same strategic thinking. An additional challenge is to ensure more governments around the world embrace this same thinking and philosophy of enhancing packaging design to allow easier recycling. Packaging around the world needs regulatory support.

We in the WPO encourage this through our WorldStar Awards program ([www.worldstar.org](http://www.worldstar.org)). This is the only global packaging awards program that focuses on encouraging and developing better design, be that recyclability or sustainability, to ensure better quality of life packaging through better packaging for more people. **PW**

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