Update on Sustainable Packaging Requirements: EPR, Scorecard, and Labeling

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Environmental Packaging International

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Environmental Packaging International

• Specialists in global environmental packaging & product stewardship requirements
• Provide regulatory tracking and other compliance services
• Assist clients with data management to support compliance, corporate sustainability initiatives, and customer requirements
• Provide training in topics such as Design for the Environment, Regulatory Compliance, and Wal-Mart scorecard
• Our clients include:
Packaging Design Drivers
Overview of Environmental Packaging Design Requirements

- Environmental design requirements in more than 40 countries
  - CEN Standards (Europe +) resulting from Packaging Directive
  - Empty space and source reduction requirements (Asia)
  - Recycled content requirements (N. America)
  - Packaging prevention planning (Europe, Asia)
EU’s Essential Requirements

- The EU Packaging Directive mandates that all packaging sold in Europe meet a set of “Essential Requirements” related to:
  - Source Reduction (mandatory)
  - Recovery (must meet at least one)
    - Recyclability
    - Organic recovery
    - Energy recovery
  - Reuse (optional)
  - Heavy metals in packaging (mandatory)
  - Reduction of other hazardous substances (mandatory)

- Packaging that does not comply with these Essential Requirements can legally be banned from EU markets.
- CEN standards are the most common method for assessing & demonstrating compliance

More enforcement coming in both Western and Eastern Europe
CONEG model legislation (law in 19 states):
- Max. 100ppm total of Cd, Hg, Pb, CrVI in packaging
- No intentionally-added Heavy Metals (stricter than EU)
- Less exemptions than EU
- South Korea – as of 11/07
- EU- Essential Requirements
C A Rigid Plastic Packaging Container Law

What is an RPPC?

- Capable of holding between 8 fluid ounces and 5 gallons
- Made entirely of plastic, except caps, lids and labels may be made of some other materials
- Maintains its shape while holding product
- Capable of multiple re-closures (may change)
- Stores a product for at least (7) days

Exemptions:

- Food
- Drugs
- Medical devices
- Cosmetics
- Toxic or Hazardous Products

- Proposed regulations to modify rules
Design Requirements- Empty Space (Asia)

• Taiwan
  • Layers - Empty space restrictions - based on very complex formula.

• South Korea
  • Sets limits on the amount of empty space and the number of layers that consumer product packaging can have
  • Korea currently bans packaging components that are laminated, press packaged or coated with PVC, also PVC shrink-wrap. Korea also has banned PVC wrapping of certain foods, effective 2004.

• China
  • On April 28th 2009, China SAC and AQSIQ finalized and announced the Excessive packaging regulations – Food and cosmetics. Effective April 1st 2010.
  • The regulation covers three mandatory fields:
    • Empty space ratio, Layers, and Packaging cost.
What is Extended Producer Responsibility?

- Producers take responsibility for their packaging at the post-consumer stage.
- Shifts responsibility for recycling and waste disposal from local government to private industry, e.g. “producers”.
- Idea behind EPR programs usually is to increase recycling and often contain mandated recycling targets.
- EPR also impacts how companies design and choose materials for their products. If producers pay for post-consumer waste created by their products, it creates an incentive for them to make products that are less wasteful.
Packaging fees or eco-tax

Deposits on one-way containers

Packaging fee and deposit in place. Deposit containers not subject to fees.

Eco-tax and fee in place. Containers subject to both regulations.
European Packaging Regulations – Present

- Packaging fees or eco-tax
- Deposits on one-way containers
- Packaging fee and deposit in place. Deposit containers not subject to fees.
- Eco-tax and fee in place. Containers subject to both regulations.

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Asian Packaging Regulations – Present

Now in China!

Packaging fees or eco-tax
Deposits on one-way containers
Packaging fee and deposit in place. Deposit containers not subject to fees.
Eco-tax and fee in place. Containers subject to both regulations.
North American Packaging Regulations – Present

Bills in CA, ME, MN, VT and WA to require EPR

Packaging fees or eco-tax
Deposits on one-way containers
Packaging fee and deposit in place. Deposit containers not subject to fees.
Eco-tax and fee in place. Containers subject to both regulations.

Saskatchewan may have EPR next in Canada
EPR in the United States

- Currently – 57 EPR laws in 31 States
  - Mostly concerning one product such as: waste electronics, batteries and mercury switches in automobiles
- Bottle Bills – in 11 States
- Some States are considering the “framework approach”
  - Establishes EPR as state policy and provides authority to address additional products over time

The “Perfect Storm”?
- States and Cities have budget crises
- Materials prices very low
- CPGs want their materials (packaging) recycled
- US Conference of Mayors issued resolution supporting EPR
- EPA asked to initiate stakeholder dialogue
States Considering EPR Framework Legislation

- **California** – “…to develop, implement, and administer the Product Stewardship Program.”
- **Minnesota** – “providing a product stewardship framework operated and funded by producers to collect, recycle and dispose of products at the end of their useful lives.”
- **Rhode Island** – is developing recommendations for establishing a comprehensive product stewardship approach to reducing environmental and health risks posed by the use or disposal of products
- **Washington** – “Convenient and environmentally sound product stewardship programs… will help protect Washington's environment and the health of state residents”
- **Maine**…
- **Vermont**…
Maine’s Product Stewardship Legislation

- Enacted the first product stewardship “framework” legislation in the United States (March 2010)
- DEP may submit a report to the Legislature by January 15th each year to add EPR programs under the framework. New programs require approval by legislature.
- Report may recommend new product stewardship programs or changes to existing programs
- Report must include any necessary draft legislation
- Report is subject to a 30 day comment period before submittal
Vermont Extended Producer Responsibility Act of 2010 (bill)

- Framework legislation
- Establishes Producer Responsibility Organization
- Allows for producer fees
- Specifically designates packaging and printed material as the first waste stream covered
- Would repeal the beverage deposit program
# EPR Initiatives in Canada

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</tbody>
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- Manitoba packaging & printed paper regulation passed, starts April, 2010
- Alberta milk container deposits - June 1, 2009
- ONT - Deposits on wine, liquor & beer only
- As of February 1, 2010

Courtesy of Stewardship Gazette, MGM Management

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Scope of EPR under EU Packaging Directive

- **Primary Packaging**
  Packaging that ends up with the consumer
  e.g. Cardboard Boxes, Plastic Wrapping, Tubs

- **Secondary Packaging**
  Group Packaging e.g. Multipack Wrapping

- **Tertiary Packaging**
  Transport Packaging e.g. Pallets, Crates
National Variations

- Packaging types covered
  - Some schemes cover Primary packaging only (e.g. France)
  - Other Schemes cover all types of packaging (e.g. Germany)
  - Other schemes cover printed paper (bills, flyers, etc.)

- Thresholds
  - Some countries exempt companies putting small amounts of packaging on the market (e.g. UK)

- Reporting formats
  - Frequency
  - Number of material categories
  - Split by type of packaging or source of packaging
Packaging Fees

- Packaging fees worldwide
- Fees are mainly used to fund recycling systems
- In general, fees are based on the amount of packaging (weight) and material type
- More packaging = more $$$ (higher fees)
- The more difficult the material is to recycle, the higher the fees
- Plastics, laminates and composites can cost up to 500% more than other materials

<table>
<thead>
<tr>
<th>Date</th>
<th>Country / Region</th>
<th>Fees based on</th>
<th>Scheme</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>Japan</td>
<td>Amount of packaging marketed</td>
<td>JCPRA</td>
</tr>
<tr>
<td>2003</td>
<td>Korea</td>
<td>Amount of packaging marketed</td>
<td>Envico</td>
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<td>2003</td>
<td>Ontario</td>
<td>Amount of packaging marketed</td>
<td>Stewardship Ontario</td>
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<td>2005</td>
<td>Australia</td>
<td>Company turnover</td>
<td>Packaging Covenant</td>
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<td>2005</td>
<td>Turkey</td>
<td>Amount of packaging marketed</td>
<td>Cevko</td>
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<td>2007</td>
<td>Quebec</td>
<td>Amount of packaging marketed</td>
<td>EEQ</td>
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<td>2007</td>
<td>Singapore</td>
<td>Company turnover</td>
<td>Environment Agency</td>
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<tr>
<td>2008</td>
<td>Netherlands</td>
<td>CO2 emissions from production</td>
<td>Tax</td>
</tr>
</tbody>
</table>
Extensive Data Requirements

- Walmart needs up to 206 data points per SKU (packaging only)
- Other retailers (Tesco, Marks & Spencer)
- Global EPR Reporting - Packaging, WEEE, RoHS, Batteries
- Customer Reporting
- Consumer Reporting
- In-house DfE benchmarking
- Certifications
  - Heavy Metals
  - EU ER’s
  - CA RPPC
  - Recycled content
  - Forest Certifications
## Packaging System Comparisons

**Package 1 – Reese’s Giant Bar**

<table>
<thead>
<tr>
<th>Packaging Description</th>
<th>Packaging</th>
<th>Component</th>
<th>Material Type</th>
<th>Weight (grams)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reese’s Giant Bar</td>
<td></td>
<td>Outside Wrapper</td>
<td>Plastic - PP</td>
<td>2.00</td>
</tr>
<tr>
<td>192g</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Total Weight</strong></td>
<td></td>
<td><strong>2.00</strong></td>
</tr>
</tbody>
</table>

**Package 2 – Hershey’s Giant Bar**

<table>
<thead>
<tr>
<th>Packaging Description</th>
<th>Packaging</th>
<th>Component</th>
<th>Material Type</th>
<th>Weight (grams)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hershey’s Giant Bar</td>
<td></td>
<td>Outside Wrapper</td>
<td>Coated Freesheet</td>
<td>3.00</td>
</tr>
<tr>
<td>184g</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Aluminum Wrapper</td>
<td>Aluminum</td>
<td>3.40</td>
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<tr>
<td></td>
<td></td>
<td><strong>Total Weight</strong></td>
<td></td>
<td><strong>6.40</strong></td>
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</table>

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# International Fee Comparison (per 1000 units)

<table>
<thead>
<tr>
<th>Country</th>
<th>Reese’s Giant Bar</th>
<th>Hershey’s Bar</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>$0.37</td>
<td>$2.55</td>
</tr>
<tr>
<td>Belgium</td>
<td>$0.81</td>
<td>$0.24</td>
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<tr>
<td>Canada (Ontario)</td>
<td>$0.33</td>
<td>$0.52</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>$0.59</td>
<td>$0.82</td>
</tr>
<tr>
<td>France</td>
<td>$1.10</td>
<td>$1.60</td>
</tr>
<tr>
<td>Germany</td>
<td>$3.82</td>
<td>$4.44</td>
</tr>
<tr>
<td>Japan</td>
<td>$0.49</td>
<td>$0.01</td>
</tr>
<tr>
<td>Poland</td>
<td>$0.02</td>
<td>$0.16</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>$0.27</td>
<td>$0.39</td>
</tr>
<tr>
<td><strong>Average Fees</strong></td>
<td><strong>$0.87</strong></td>
<td><strong>$1.19</strong></td>
</tr>
</tbody>
</table>

Fees based on 12/01/2008 exchange rates: 1USD = 0.79164 EUR, 1.2375 CAD, 93.683 JPY, 0.6739 GBP

* Number in red denotes the highest fee among the four packaging systems, number in green denotes the lowest.
UK Environment Agency “Clips Red Bull’s Wings”

• Red Bull fined record sum for packaging waste offences in UK

• UK Environment Agency fined Red Bull £271,800 for failing to register as a packaging waste producer and failing to meet its requirements to recover and recycle packaging waste over an eight year period from 1999-2006 (+Back Fees and Interest)

• This made Red Bull UK’s top recycling offender.
Walmart Scorecard Update
Data Requirements for Scorecard

• Packaging data for all SKUs sold to Walmart or Sam’s Club, no matter how similar, should be entered.

• Packaging data includes:
  
  • Selling unit packaging (packaging taken home by consumer)
  • Transport packaging (discarded by Walmart or Sam’s Club retail location)
  • Packaging component manufacturing innovations
  • Up to 206 Datapoints per SKU
  • Phase 2 will add more!!!
# Metric Raw Score Calculations

## Wal-Mart Stores Inc. Sustainability Scorecard

Please complete a scorecard for each product carried by Wal-Mart Stores Inc. Once you have answered all the questions in this section, click the "Next Section" button to continue. If you need help with a question, you can click the "?” icon for a detailed explanation of that question.

### Scorecard Steps
- Background & Product Info.
- Selling Unit Packaging Materials
- Transport Packaging Materials
- Additional Information
- Review Answers
- Calculated Score

### Package & Model Scores

<table>
<thead>
<tr>
<th>Metric</th>
<th>Raw Score</th>
<th>Rank</th>
<th>Weight</th>
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</thead>
<tbody>
<tr>
<td>Greenhouse Gas Emissions from Package Production</td>
<td>0.000119007</td>
<td>100%</td>
<td>15%</td>
</tr>
<tr>
<td>Sustainable Material</td>
<td>0.493297512</td>
<td>100%</td>
<td>15%</td>
</tr>
<tr>
<td>Average Distance to Transport Material</td>
<td>1.233243779</td>
<td>100%</td>
<td>15%</td>
</tr>
<tr>
<td>Package to Product Ratio</td>
<td>0.246648756</td>
<td>100%</td>
<td>15%</td>
</tr>
<tr>
<td>Cube Utilization</td>
<td>0.604800000</td>
<td>100%</td>
<td>15%</td>
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<tr>
<td>Recycled Content</td>
<td>0.213377735</td>
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<td>10%</td>
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<tr>
<td>Recovery</td>
<td>0.726358077</td>
<td>100%</td>
<td>10%</td>
</tr>
<tr>
<td>Renewable Energy to Power Each Facility</td>
<td>0.230000000</td>
<td>100%</td>
<td>5%</td>
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<tr>
<td>Innovation Different from Energy Standard</td>
<td>0.230000000</td>
<td>100%</td>
<td>5%</td>
</tr>
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</table>

**Total Normalized Score (out of 10) 10.0000**

*All percent scores are calculated nightly.*

---

**Would You Like To Improve Your Score?**

Using our interactive modeling feature allows you to experiment with new or different packaging materials to see how you score could improve with different materials.

- **Begin Modeling This Package Now!**

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## Walmart Scores Comparison

Package 1 - Reese’s Giant Bar – 192g  
Package 2 – Hershey’s Giant Bar – 184g

<table>
<thead>
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<th>Metrics</th>
<th>Weight</th>
<th>Package 1</th>
<th>Package 2</th>
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<td>Greenhouse gas emissions from package production</td>
<td>15%</td>
<td>0.000002205</td>
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<td>Evaluation of material type</td>
<td>15%</td>
<td>0.004409245</td>
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<td>Average distance to transport material</td>
<td>10%</td>
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<tr>
<td>Product to package ratio</td>
<td>15%</td>
<td>0.004409245</td>
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<tr>
<td>Cube utilization</td>
<td>15%</td>
<td>0.4225</td>
<td>0.3175</td>
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<td>Recycled content</td>
<td>10%</td>
<td>0.004409245</td>
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<td>Recovery</td>
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<td>0.022046225</td>
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<td>Non-Renewable Energy</td>
<td>5%</td>
<td>0.915600244</td>
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<td>Innovation different from energy standard</td>
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<td><strong>Total Normalized Score (out of 10)</strong></td>
<td></td>
<td><strong>8.00</strong></td>
<td><strong>2.50</strong></td>
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- Number in **green** denotes a better score, number in **red** denotes a worse score.

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Reese’s Giant Bar vs Hershey’s Comparison (per 1,000,000 units)

**Reese’s Giant Bar**

**Sales Packaging:**
Reese’s Giant Bar uses:
9,700 lbs less virgin material

**Hershey’s Giant Bar**

**Equivalents (more than Reese’s Giant Bar):**
- 11.51 passenger cars driven for one year
- 142.79 Barrels of oil
- 6,970.01 gallons of gasoline
- 8.13 Households of electricity use for one year
- 2,557.93 Propane cylinders used for household BBQ’s
International Scorecard Roll Out

• Canada Q2 2009
  • Canada data entry began July 1st 2009
  • Data entry deadline was March 31, 2010, now pushed back 6-12 mos.
  • Generally treated as “should” requirement

• Mexico: Top 100 companies to enter SKUs accounting for 50% of sales by year-end 2010

• China Q2/Q3 2009
• UK: Q3 2009
• Others TBD

Postponed; timing subject to technical issues

• Manual Scorecard Rollout Schedule
  • All WM countries except US & Canada had been planned Q2 2009.
  • Current emphasis is inconsistent.
  • Report packaging material reduction quarterly
Phase II – Scorecard Metric Additions & Modifications  

*postponed to 2011*

- Recycled Content Values - actual versus industry average
- Recovery Rate
  - Package type versus industry average
  - Transport Materials with Walmart actual versus industry average
- Country of ‘Origin’
  - Raw material
  - Conversion
  - Packing Facility versus Customer location
- Product Damages
- GHG emissions
  - Additional Materials
  - Converted Packages
Labeling & Claims
Are the Labeling and Green Claims on your Packaging Meeting FTC and Retailer Requirements?

As Eco-Seals Proliferate, So Do Doubts APRIL 2, 2009
By GWENDOLYN BOUNDS

It's too easy to be green Recently, Kevin Owsley went searching for a reputable organization that could validate the eco-friendly traits of his company's carpet-cleaning fluid. But after canvassing a dozen competing groups hawking so-called "green certification" services -- including one online outfit that awarded him an instant green diploma, no questions asked.
Common Environmental Labeling Missteps

…and the applicable guidelines:

• Overstated General Environmental Benefit Claims (FTC)
• Inappropriate Recyclable Claim (FTC)
• Misuse of the Mobius Loop (FTC)
• Inappropriate Use of the SPI Code (FTC & 39 State SPI code laws)
• Inappropriate Recycled Content Claim (FTC)
• Unsupported Claims of Degradable/Biodegradable/Photodegradable/Oxo-biodegradable (FTC & ASTM)
• Inappropriate Reusable Claim (FTC)
• Unsupported Compostable Claim (FTC & ASTM)
• Inappropriate Comparative Claim (FTC)
• Misuse of the Green Dot (North American Trademark Requirement CSR)
• Incorrect Use of Walmart Scorecard Data (Walmart & FTC)
Beware the Seven Sins of Greenwashing™

These forms of deception are reflected in the FTC Guidelines:

1. Sin of the Hidden Trade-Off
2. Sin of No Proof
3. Sin of Vagueness
4. Sin of Worshiping False Labels
5. Sin of Irrelevance
6. Sin of Lesser of Two Evils
7. Sin of Fibbing

Study of 1,018 consumer products that make environmental claims found that “all but one made claims that are demonstrably false or that risk misleading intended audiences.”

Source: www.terrachoice.com
Overstated General Environmental Benefit Claims

Criteria:

• NO unqualified claims. Claims limited to specific environmental attributes are favored.

• FTC Guidelines for Environmental Labeling:
  • Maintain clarity of qualifications and disclosures (through appropriate language, type size, context, avoiding contradictions)
  • Distinguish between product, package, service
  • Qualify claims about benefits (avoid claims of general environmental benefits)
  • Make only those claims which you can substantiate

• The following types of general environmental benefit claims are discouraged unless accompanied by qualifying text:
  • Sustainable
  • Eco-friendly
  • Green
  • Natural
  • Environmentally safe
Overstated General Environmental Benefit Claims

Examples (from the FTC)

• A brand name like "Eco-Safe" would be deceptive if, in the context of the product so named, it leads consumers to believe that the product or package has environmental benefits which cannot be substantiated by the manufacturer.

• A wrapper is labeled "Environmentally Friendly because it was not chlorine bleached, a process that has been shown to create harmful substances." This claim is deceptive if the production of the paper wrapper created other harmful substances.
Recyclable Claims

Criteria:
• A basis for the claims (e.g. study or survey results of municipal recycling facilities) must be stated when making ‘recyclable’ claims on packaging that is not traditionally accepted for recycling, e.g. plastic clamshells.
  • You must consider both the material and the packaging type (i.e. PET Bottle versus a PET Clamshell)
  • You must review both what is collected by communities and what is accepted by the recycling facilities
  • Must be available to a substantial majority of consumers or communities (60%). If under 60% then need qualifying language in order to claim recyclability.
  • Closed recycling systems are OK if well qualified (e.g., in-store plastic bag collection programs)
The Availability of Facilities for Recycling

Recyclable in the US

*(substantial majority of recycling facilities (60%)*) *(FTC)*

- Glass Bottles and Jars (Clear, Green and Brown)
- PET Bottles with necks (Clear, light Green and very light Blue)
- HDPE Bottles with necks (All colors, but some issues with black)
- Aluminum Cans
- Steel Cans
- Newspaper
- Corrugate (non waxed)
- Paperboard (boxes and sheet w/limited metallics)
- Paper (sheet w/ limited metallics)

*Based on EPI research
The Availability of Facilities for Recycling

Not presently recyclable by 60%* (FTC) (not available to a substantial majority of consumers or communities)

- Glass (other than Clear, Green or Brown)
- PET bottles (other than Clear, light green and very light blue)
- All other PET, i.e. Clamshells, blisters, trays, lids)
- HDPE (Black bottles and all other non-bottle HDPE)
- All Plastic films and bags
- Plastic (All SPI 3 – 7)
- Paperboard (w/ metallics)
- Paper (w/ metallics)
- Waxed Corrugate
- Packaging with food contamination
- Laminates
- Poor designs (Plastic glued to corrugate)

*Based on EPI research
The Availability of Facilities for Recycling

Materials with considerable recycling but which need backup studies to support claims (FTC)

?% available to a substantial majority of consumers or communities

• Steel Aerosols
• Wet Strength Board
• Coatings, hot stamps on paperboard
• Molded Pulp

• New Study conducted by EPI

<table>
<thead>
<tr>
<th>Percent of communities in sample that would accept box for recycling</th>
<th>Percent range of total US communities that would accept box for recycling*</th>
</tr>
</thead>
<tbody>
<tr>
<td>73%</td>
<td>50-55%</td>
</tr>
<tr>
<td>40%</td>
<td>25-30%</td>
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</tbody>
</table>

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UK Voluntary Recycling Labeling

Developed by WRAP, promoted by British Retail Consortium

50 brands have signed on, however P&G, Unilever will not participate due to national specificity of recyclability info
SPC’s Proposed US label

![Recycling Label](image)

- Paper: Widely Recycled
- Plastic: Not Yet Recycled
- Carton: Widely Recycled
- Film: Not Yet Recycled
- Tray: Limited Recycling

[howtorecycle.us](http://howtorecycle.us)
Recyclability Claims:
Use of the Möbius Loop (three chasing arrow symbol)

Criteria:
• Any use of the Möbius Loop (three chasing arrow symbol) must have text as to whether you’re claiming recycled content (with %) or ‘recyclable.’

Under US FTC Guidelines, the use of the Möbius Loop (with no other text) constitutes a claim that the packaging and product are made of 100% recycled materials and universally recyclable – deceptive unless the claim can be substantiated!
Appropriate Use Of SPI Plastic Resin Identification Code

Criteria:
- SPI code use should follow the strictest state law interpretation (39 states have SPI code laws).
- The SPC code should not be used as an Environmental Claim (FTC).
- SPI code should be keep away from other environmental claims (FTC).

Predominant Material Resin Coding
- Some states may allow this on a case-by-case basis with evidence of the container’s recycling compatibility and endorsement by local recyclers.
- Kentucky law allows predominant code with written approval by Association of Postconsumer Plastic Recyclers (APR).
- Some states interpret their laws to mean that predominant resin coding is not allowed.
- Some states have no known position on predominant resin coding.

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Recycled Content Claims

Criteria:
• It is recommended that all recycled content claims include a percentage, even if it is 100%.
• Any use of the Möbius Loop (three chasing arrow symbol) must have text as to whether you’re claiming recycled content (with %) or making a ‘recyclable’ claim.

Key points:
• Must meet FTC definition of recycled content:
• Both pre and post-consumer material are considered recycled content.
• Claim must be able to be substantiated.
• Percentage of recycled content by weight should be identified
• Distinctions may be made between pre-consumer and post-consumer materials.
• Under US FTC Guidelines, the use of the Möbius Loop (three chasing arrow symbol) alone with no qualifying text constitutes a claim that the packaging and product are made of 100% recycled materials and are universally recyclable.
Recycled Content

Under FTC Guides, this logo may only be used if the package contains 100% recycled material. Using a % is preferable.

Is this 100% Recycled content?
Degradable/Biodegradable/Photodegradable Claims

Criteria:
• Compostable claims are favored over degradability, biodegradability, oxo-biodegradation or photodegradability claims. Because most product packaging ends up in landfills, unqualified claims in this area will not be accepted at this time.
• These terms no longer allowed in CA for plastic bags, service pkg

Key points:
• Unqualified claims of degradability, biodegradability or photodegradability should be substantiated by competent and reliable scientific evidence that the entire product or package will completely break down and return to nature.
• Testing to back up degradability, biodegradability or photodegradability claims should be based on the finished package/components, NOT merely the material that is used.
Degradable/Biodegradable/Photodegradable Claims

Key points:
• Most landfills are fundamentally anaerobic, which severely limits/prevents photodegradation and oxo-biodegradation from occurring.
• Biodegradation in landfills is generally NOT an environmental benefit

Guidelines:
• Claims of degradability, biodegradability, oxo-biodegradable or photodegradability should be qualified to the extent necessary to avoid consumer deception about:
  (1) the product or package's ability to degrade in the environment where it is customarily disposed (Note that ‘customary disposal’ of most packaging is in a landfill); and
  (2) the rate and extent of degradation.
• Oxo-biodegradable claims will likely be considered by consumers to be equivalent to a biodegradable claim; therefore, must meet the same criteria.
FTC Enforcement (2009)- Biodegradable Claims

Several companies made claims their paper products were “biodegradable”

- Kmart paper plates
- Dyna-E (compressed dry rayon towels)
- Tender Corp moist wipes

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Compostable Claims

Composting does not take place in a landfill!

FTC Guidelines specify different requirements for making “biodegradable” and “compostable” claims.

Criteria:

• **Facility type:** Compostability claims should be sufficiently qualified as to ability to compost in home, municipal or industrial composting facilities. I.e. if not suitable for home composting, must state this.

• **Access:** Claims involving materials that can only be composted in municipal and institutional composting facilities must have text regarding the limited availability of these facilities

• **Standards**
  • Compostable plastics must meet the ASTM D6400 Standard Specification for Compostable Plastics.
  • Plastic coatings must meet the ASTM D6868 Standard Specification for Biodegradable Plastics Used as Coatings on Paper and Other Compostable Substrates.
Availability of Municipal Composting

Source: Natureworks LLC, 2007
Comparative Claims

Unclear Claim of Successes/Savings:
- Material:
  - 9,000 fewer boxes
  - 350 less pallets
- Transportation
  - 37% less fuel needed to distribute to the clubs

Better Claim of Successes/Savings:
- For every box of wine sold (and 4 bottles eliminated):
  - Reduced landfill discards by 1.24 pounds
  - Reduced greenhouse gases by 1.05 pounds
  - Reduced energy consumption for the manufacture of the packaging materials by 6,483 BTUs

Environmental Labeling Requirements

- FTC “Green Guides” (Part 260 -- GUIDES FOR THE USE OF ENVIRONMENTAL MARKETING CLAIMS)
- SPI Code (39 US States)
- Use of the trademarked Green Dot
- ASTM/ISO/CEN Standards
Labeling Requirements

- Japan

- South Korea
  - on all packaging of certain product types, including foods & beverages, dairy & fish, agricultural produce, and foamed resin packaging of electronic equipment
4th Annual Walmart Stores Inc., Sustainable Packaging Exposition

- EPI audited Environmental Claims for all packaging vendors at the Walmart Sustainable Packaging Expo
- EPI audited both the Packaging Success Story and the 7R’s handout
- 70% were rejected in the first review
- All were eventually approved
Third-Party Review of Packaging Sustainability Data

• GreenerPackage.com database will offer optional, third-party reviews for suppliers that list their product information in the database

• The database is linked to Walmart's Sustainable Packaging Scorecard Modeling tool

• EPI developed Guideline to assist suppliers with appropriate claims

Background

- Initiative emerged at ISO/TC 122 pre-meeting from Asian Packaging Federation with support from European, US, and Kenyan delegates
- ISO TC 122/Sub Committee 4 (Packaging & the Environment) convened to draft standards that:
  - Reduce the environmental impact of packaging
  - Minimize the risk of technical barriers to trade
  - Do not conflict with existing standards
- Modeled on existing environmental standards:
  - European (CEN standards)
  - Asian (JIS Z0112 series)
- Anders Linde, Chairman
- Drafting ongoing; target for publication: 2012
Voluntary Standards

• Provide the packaging value chain with guidance and environmentally responsible approach to packaging production, use and post-use management

• Would be voluntary standards but prescriptive
  • (i.e. if you claim to meet a standard, you must meet all of its requirements)

• Countries could require compliance with the standards
  • (like the EU’s Essential Requirements)

• Companies could require application of standards
  • e.g. a brandowner could say all its packaging will meet by 20xx

• Retailers could require their suppliers to meet the standards
Benefits

• Aligns with existing standards

• Common reference for all stakeholders debating the environmental impact of packaging
  • Prevent ad-hoc regional requirements
  • Platform for communications with regulatory authorities

• Global approach for global market

• Harmonized packaging requirements

• Supports free trade

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GPP Metrics - Who’s involved

Consultant support
- Quantis
- GreenBlue
- EPI

Academic participation
- University of Arkansas
- University of Minnesota
- University of Manchester
- Rochester Institute of Technology

Retailers

Manufacturers

Associations

Packaging manufacturers

Source: GPP

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GPP deliverables

Guidance on how to improve sustainability of packaging, covering...

- **Role of Packaging**
  - Common understanding of packaging’s contribution to sustainability

- **Common definitions and principles**
  - Common understanding of what sustainability means for packaging

- **Packaging sustainability indicators and metrics**
  - Common language to measure the sustainability of packaging
  - Better internal decision making
  - Better trading partner dialogue on packaging improvements

The Global Packaging Project based its work on the indicators and metrics framework of the Sustainable Packaging Coalition (SPC) and the ECR Europe/EUROPEN guide « Packaging in the Sustainability Agenda – a guide for corporate decision-makers »

Source: GPP
Outlook: Developments to watch for

- More EPR bills in US
- Continued EPR implementation in Canada
- Revised FTC Guidelines & initial enforcement
- Continued WM scorecard rollout; national differences
- More scorecards (Tesco, P&G, Kaiser-Permanente)
- ISO drafting packaging standards modeled on CEN standards
- More widespread adoption of common metrics (SPC Metrics Framework, GPP)
Questions?

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