Winemakers' Federation of Australia

Grape and Wine
Research and Development Corporation

Reducing and measuring packaging waste via the National Packaging Covenant Action Plan Kit

FINAL REPORT to
GRAPE AND WINE RESEARCH AND DEVELOPMENT CORPORATION

Project Number: **RT 01/21-2**

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Research Organisation: **Winemakers' Federation of Australia**

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2. Executive Summary

In response to legislation regarding wineries' packaging waste the Winemakers' Federation of Australia developed a National Packaging Covenant Action Plan Kit. To support the uptake of the information and strategies within the Kit, four regional seminars, funded through RITA, were held in regions which had expressed interest in the Kit.

The regional seminars where conducted by the environmental consultant who developed the Action Plan Kit. The duration of the regional seminars where 2.5 to 3 hours long and the format was interactive. Time was taken at the end of the seminars for discussion and questions.

The main benefit gained from the Action Plan regional seminars was the increased promotion and understanding of the environmental impact of packaging waste. In addition, the waste audit gave attendees the tools and ability to measure their packaging waste, and outline strategies to reduce the level of packaging waste.

The regional seminars gave winery operators a forum to discuss regional solutions for improved recycling and reuse of packaging waste as well as the tools to comply with the Covenant via the Action Plan Kit.

3. Background

In 1997, the Commonwealth National Environment Protection Council was given the task of developing a framework to improve industry and government's use of consumer packaging waste.
This initiative was designed by Government to minimize current and future consumer packaging waste within Australia.

The framework has taken the form of the self-regulatory National Packaging Covenant and the state based legislation titled the National Environment Protection Measure for Used Packing Material (NEPM).

The National Packaging Covenant is a self-regulatory, non-prescriptive instrument with three major objectives

- Establish a framework, based on the principle of shared responsibility, for the effective lifecycle management of packaging and paper products.

- Ensure that the management of packaging and paper throughout its lifecycle produces real and sustainable environmental benefits in a cost-effective manner.
- Establish a forum for regular consultation and discussion of issues affecting the recovery, utilisation and disposal of used packaging and paper, including costs.

The Covenant is relevant to organisations within the packaging supply chain and those dealing in raw materials; packaging; manufacturing; packaging users/fillers and retailers. The Covenant therefore applies to wineries.

As the Covenant is self-regulatory, wineries are not obliged to sign the Covenant. However, non-signatories to the Covenant are obliged to comply with the NEPM.

Signatories to the Covenant need to produce Action Plans within 6 months of signing, and contribute to the 'Industry Transitional Arrangements Fund', which finances projects to build a sustainable "market based" kerbside recycling system in Australia. For a winery with the annual turnover of $2-$5 million the contribution to the 'Industry Transitional Arrangements Fund' would be $1500 over a three year period.

The Action Plan component is designed to improve the lifecycle management of packaging. An Action Plan needs to be developed each year for three years. The framework for an Action Plan is flexible and the activities and objectives within them are directly related to the size of the winery.

To simplify the preparation of Action Plans the Winemakers' Federation of Australia (WFA) has developed a generic Action Plan Kit. A winery can use the Action Plan Kit as a blueprint for their own Action Plans.

The NEPM is the legislation that catches those companies that do not sign up to the Covenant. However, rather than targeting companies in the packaging supply chain, like the Covenant, it places greater responsibility on brand owners.

The WFA Packaging Committee, on behalf of the wine industry, argued against the introduction of the NEPM for over two years. The WFA Packaging Committee was concerned about the additional compliance burden on wineries and believed that the NEPM was far more onerous than the Covenant.

The NEPM has been implemented in Victoria, New South Wales, South Australia and Queensland. It is unclear when the NEPM will be implemented in Tasmania, ACT and Western Australia.

Although the generic draft of the NEPM includes a provision that gives organisations with less than a 1% market share an exemption from the NEPM, the provision is not included in the NEPM legislation implemented in NSW, South Australia and Queensland.

Therefore, the NEPM provides no exemption for wineries with less than a 1% market share in New South Wales, South Australia and Queensland.

This means that each and every winery in New South Wales, South Australia and Queensland, is obliged to comply with the NEPM.

The WFA Packaging Committee recommended that all WFA members sign the National Packaging Covenant for the following reasons.

1. Self-regulation via the Covenant is less onerous and offers greater control than the state government NEPM legislation.
2. A successful Covenant could stave off further government legislation.
3. The opportunity for the wine industry to demonstrate its environmental credentials.

To support wineries who sign-on to the Covenant the Action Plan Kit was developed. At the WFA Packaging Committee meeting in August 2001 a draft of the Action Plan Kit was presented and discussed. The Committee recommended that funds be sought to conduct seminars on the implementation and benefits of the Action Plan Kit for interested regional winemaker and grapegrower associations. Expressions of interest regarding the regional seminars were received from:

1. Riverina Winemakers Association
2. Vineyards Association of Tasmania
3. The Coonawarra Vignerons
4. Hunter Valley Vineyard Association

4. Objectives

Primary Objective:

- Equip winery operators with the tools and understanding to comply with the National Packaging Covenant via the Action Plans Kit.

Secondary Objectives:

- Promote waste minimisation through recycling and reuse.
- Increase the awareness of the environmental impact winery waste has on the local community.
- Increase the awareness and understanding of the National Packaging Covenant and NEPM within the region.
- Increase the number of wineries that are signatories to the Covenant.

7. Outcomes/Conclusion

Action Plan regional seminars where held in four wine regions of Australia that had particular interest in the National Packaging Covenant Action Plan Kit. Attendance by winemakers in the region was variable and ranged in the size of operation from large wineries to small.

Attendance at Seminars:

- Tasmania: 35 members
- Riverina: 9 members
- Coonawarra: 10 members
- Hunter: 35 members

The greatest benefit of the Action Plan regional seminars was the increased promotion and understanding of the environmental impact of packaging waste. As packaging is part of the production and sale of wine, winery operators must be aware of the recycling and reuse options for the waste that is generated. The Action Plan seminars provided information and examples for the treatment, disposal and minimisation of packaging waste.

The Action Plan seminars gave winery operators tools to measure their packaging waste, and outlined strategies to reduce the level of packaging waste. This reduction in waste will have direct benefit to the winery

operator's local environment. The information that could be generated by the first section of the kit - the waste audit - was regarded as very useful in providing baseline data for benchmarking packaging waste in the future.

Feedback from attendees highlighted that the regional seminars had given them a forum to discuss regional solutions for improved recycling and reuse of packaging waste as well as the tools to comply with the Covenant via the Action Plan Kit.

8. Budget Reconciliation

See attached.