ACE 20th Anniversary
THE ALLIANCE FOR BEVERAGE CARTONS AND THE ENVIRONMENT

THE CONTRIBUTION OF SUSTAINABLE RESOURCE MANAGEMENT TO A CIRCULAR ECONOMY

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The scarcity of natural resources, according to EU Commission President Jean-Claude Juncker’s political guidelines, is one of the priority challenges facing EU policy in the coming years. As ACE marks its 20th Anniversary, reviews its past performance and looks to the future, the sustainable management of resources used in our packaging throughout its life-cycle is and will remain our core commitment. Representing one of the world’s largest packaging systems for liquid food, we make this our defining contribution to the EU’s circular economy goal.

President Juncker, in a timely initiative, has called for an assessment of the circular economy communication and legislative package proposed by the previous Commission. ACE’s view is that, in its current form, the communication is overly focused on the resource efficiency gains at the end-of-life phase, i.e. recycling of products and packaging, important as this is. It ignores the significant primary material intake into the economy, the constant need for which requires global supply chains to meet it. These inputs must be sourced in environmentally and socially acceptable conditions if the EU is to contribute to sustainable and inclusive growth in Europe and worldwide. Requiring responsible sourcing will make competition fair and spur innovation.

In consequence ACE calls attention to three priority areas: responsible sourcing, recycling and innovation.

Responsible sourcing is an essential ingredient for the EU’s circular economy ambition. In the case of our sector, the beverage carton is made on average of 75% paperboard, sourced from wood. Seven years ago ACE carton manufacturing companies pledged that by 2015, all wood fibre used in their carton packaging would come from certified legal and acceptable sources. Now 93% fulfilled, this Chain of Custody commitment has contributed directly to the avoidance of unwanted social and environmental impacts and thus to resource benefits. Echoing the European Resource Efficiency Platform’s call for sustainable sourcing standards, ACE urges the Commission to acknowledge the role of primary material input into the economy and the need for its sourcing to be responsible if the circular economy is to be put on a firm and acceptable footing. The EU circular economy policy must recognize renewable materials as the only long-term alternative to achieving security in primary material supplies.

Recycling is clearly the main tool for meeting the EU’s 2030 objective of “keeping resources within the economy”, once they have entered it responsibly. Indeed, the logic of moving towards zero landfill demands an all-out
effort on recycling and a greater market uptake of secondary materials. EU waste legislation has been key to driving greater recycling and recovery of packaging waste over the last 20 years. But there is now a need to maintain and increase packaging recycling rates. If 2030 targets are to be met it is essential to ensure the recycling of all packaging types for which recycling solutions exist and also for new packaging materials sure to enter the market in the coming years. In this context, ACE considers that every recyclable material can play a role in contributing to the circular economy and to the principles and practice of resource efficiency that underpin it. This would protect existing investments but also drive innovation in recycling and recovery technologies and make a much needed contribution to enhancing Europe’s global leadership position in these fields.

EU waste legislation needs to be amended to set today the practical foundations for meeting the circular economy objective. Otherwise, there is a risk that legislation continues to rely on current recycling solutions as a recipe for achieving 2030 objectives, thereby restricting the growth and job creation which the circular economy is seeking to deliver.

A key enabling factor for the recycling of packaging is practical. Improved performances depend on the proper organisation of the schemes set up to collect and recycle used packaging in EU markets. There is therefore a need to ensure that those systems operate in line with EU-wide harmonized rules in line with the EU’s overall objective of enhancing recycling - as well as of delivering cost effective solutions to consumers.

Fostering innovation is critical to keeping Europe’s packaging industry competitive. Product safety followed by environmental performance must remain the essential hierarchy of packaging requirements. Environment and waste legislation must recognise packaging’s overriding purpose is to ensure that goods get safely to the consumer; and, to this end, to guarantee free movement of packaging and packaged goods in the EU’s internal market and secure their competitiveness globally. With packaging demand constantly changing (e.g. Europe’s aging population), and new products coming to market, packaging manufacturers need permanently to adapt and innovate. To continue doing this, the regulatory environment needs to allow for sufficient flexibility without restricting industry’s capacity to innovate as it must.

ACE believes that with these changes the EU circular economy package would provide a sound and ambitious basis for the 2030 challenge it has set itself. In these circumstances, ACE members would be confident of building on their sourcing and recycling achievements of the last 20 years and, in the 2030 perspective, strengthen their contribution to resource efficiency along the entire life-cycle of the materials they use and the products they make.

Erika Mink
ACE President
“It must be ensured that a future European economic growth is based on green innovations, decoupling economic growth from resource use, and is embedding ecological and social principles. Resource efficiency should be developed according to a three-part approach: Firstly, we should have incentives for progressive technologies. Secondly, we should always apply the BAT-principle of using best available technology. Thirdly, we should follow the example and learn from industry front-runners who have integrated long-term environmental responsibility in their business plan. Also consumers will benefit when the right incentives and market mechanisms to drive sustainability and resource efficiency will be put in place.”

“Living on one planet is the ultimate challenge confronting humankind. Currently, in Europe we are consuming the equivalent of 2.6 planets worth of natural resources. This means we are borrowing development opportunities from current and future generations and unfairly placing environmental burdens on countries least able to deal with them. In terms of global equity, there is a sense that moving towards a circular economy is now an inevitability. We cannot continue treating the planet as if it is a business in liquidation. WWF believes businesses must increasingly show leadership in moving to greater resource efficiency, including giving support for smart regulation that rewards innovation and helps create new jobs.”

“We are at a critical juncture for the planet, with mounting pressure on the environment and natural resources. A successful global development based on the three pillars of economy, equity and ecology must include new economic models that value natural assets, encourage green innovation and include sustainable consumption and production.”
“We are switching to a more sustainable business model, moving from a “consume, use and throw away” pattern to a more circular economy. By reusing resources we can make the production cycle a virtuous one. This requires strong public policies that help producers and consumers to make the commitments that benefit us all.”

Karmenu Vella
Commissioner for Environment, Maritime Affairs and Fisheries

“For BillerudKorsnäs, innovation is our passion and sustainability is our future. Our fundamental starting point is that smart packaging solutions made from paper or board can reduce the impact on the climate, cut the use of finite resources and contribute to a sustainable future. It is our clear ambition to work in partnership with every stage of the value chain to strengthen the performance of the products, so contributing towards sustainability for the future.”

Per Lindberg
CEO, BillerudKorsnäs

“We are setting ourselves ambitious targets in order to further reduce the ecological footprint of our products and our production processes. To help us meet this challenge, we have been working on generating all the necessary information: the life-cycle of our packaging, from the extraction and refining of the raw materials, right up to the disposal or recycling of the carton packs after use. Independent, critically audited life-cycle assessments conducted by specialist institutes help us to identify precisely those parameters in the life-cycle of our carton packs where we can make changes to produce the greatest possible benefit for the environment. For us, that means ‘sustainable development’ in the original sense of the term.”

Rolf Stangl
CEO of SIG Combibloc
“For Stora Enso, Global Responsibility means realizing concrete actions that will help us fulfil our Purpose, which is to ‘Do good for the people and the planet’, and to create shared value. Stora Enso’s wider business strategy is to achieve a transformation from a European pulp and paper company to a customer focused renewable materials company. Through our businesses, our aim is to replace non-renewable materials with products and solutions based on renewable materials, as well as utilise our expertise on renewable materials to promote sustainable living globally.”

“Society expects the manufacturing sector to do more with less, which means developing the technologies and materials that will drive efficiency, reduce our consumption of finite resources, cut waste and lower environmental footprints. It’s an expectation we are determined to exceed, not only because it supports our mandate to operate, but also because it represents a significant channel of growth for our business. We strongly believe that the most effective way to ensure a sustainable future for the packaging industry is to increase our use of renewable resources.”

“Elopak’s ambitious sustainability strategy includes a wider scope than just looking at the environmental impact of our own operations. Our strategy goes beyond the question of CO2 emissions and covers the full range of sustainability issues confronting our company. We want Elopak to achieve absolute sustainability. A company with zero net impact on the environment. To turn our aspirations into a tangible reality, our strategy is structured around five facets. In each case, we have set out our ultimate aspiration and have defined targets to reach by 2020, in terms of renewable raw materials, energy use, logistics, customer operations and recycling.”

Karl-Henrik Sundström
CEO, Stora Enso

Dennis Jönsson
CEO, Tetra Pak

Niels Petter Wright
CEO, ELOPAK
ACE represents leading beverage carton packaging producers and their main European paperboard suppliers in EU environmental policy development.