Can Makers
Metal Packaging Europe

Sustainable packaging 2018: Canned drinks

INTRODUCTION

Global resources are limited, but society's demands are increasing. This makes managing resources efficiently a top priority.

Public perception has markedly changed recently as the media coverage of plastics' impact in particular on the environment heightened, putting increasing pressure on governments to take further action. Media coverage has been predominantly focused on the marine impact of single use plastics, including straws, coffee stirrers, cotton buds and plastic bottles – and this has as a result put pressure on other drinks packaging formats too.

Packaging has a key role to play in helping society live more sustainably – it is a crucial part of the sustainability eco-system for delivering products from their point of production to their point of consumption. It keeps both food and drink fresher for longer and provides consumers with a much wider range than can be seasonally and locally sourced.

The European Commission's Circular Economy Package (CEP) sets common targets to increase recycling to prevent valuable resources being lost from the recycling loop. It has set a packaging recycling target of 75 per cent by 2030 to help drive the circular economy – the idea that materials are continuously recycled and reused multiple times (EU CEP). The aluminium target is 50 per cent by 2025 and 60 per cent by 2030. The UK Government outlined new targets in 2017 for aluminium, challenging businesses to achieve 64 per cent by 2020 (Spring Budget 2017).

Aluminium drinks cans are contributing significantly to this overall recycling target, with 72 per cent of drinks cans already being recycled in the UK (Alupro 2018). Drinks cans have also been officially recognised as being the most recycled drinks container in the world (Resource Recycling Systems (RRS)). Furthermore, up to 75 per cent of all aluminium ever produced is still in use today (World Aluminium Association).

In this paper, the Can Makers take a closer look at sustainability in the drinks market from a packaging perspective, as well as the opportunities for drinks brands in 2018.

MARKET TRENDS

Before looking at market trends, let's take a step back to consider what exactly sustainability means from a packaging perspective.

Sustainable packaging produces minimal waste throughout the product's lifecycle. The continual recycling loop is referred to as the circular economy, defined by the EU Commission when "the value of products and materials is maintained for as long as possible. Waste and resource use are minimised, and when a product reaches the end of its life, it is used again to create further value." The metal packaging industry is the perfect example of a circular economy.

Metal, particularly aluminium, has long been a leader in recycling because it is a valuable permanent material that can be recycled again and again, without losing any quality of its structural integrity. But it's not just aluminium - steel for packaging recorded an average European recycling rate of 78 per cent in 2015, a record performance, which included five countries exceeding 85 per cent. Today, 75 per cent of metal packaging is recycled in Europe, making it the most recycled packaging material (MPE, 2017).

The UK is the largest beverage can market in Europe, and aluminium is the primary metal used in drinks can manufacturing. Around 180,000 tonnes of aluminium packaging is available on the market over the course of a year and drinks cans make up the largest portion of that packaging (Alupro, 2017).

Out of all the aluminium ever produced in the world, up to 75 per cent is still in use today (World Aluminium Association) thanks to its recyclability and continuous lifecycle. Impressively, over seven out of 10 drinks cans sold in the UK are already being recycled.

A used aluminium beverage can can be recycled, remade and ready for re-sale as another drinks can in as little as 60 days. In one whole year, one can could be recycled as many as six times, which saves enough energy needed to make 160 new cans (Alupro, 2017).

CHANGES IN CONSUMER DEMANDS AND PERSPECTIVES

Consumers now expect to be kept informed with sustainability information as they are more concerned with the environmental impact of packaging.

Conscientious consumers are now more informed about where the products they buy come from and what happens to the packaging after purchase as well. As such, they expect brands to be transparent about provenance and how packaging can be sustainably disposed of. Alternative, sustainable solutions are being sought and environmental considerations are now rising on the list of decision-making factors when it comes to making a purchase.

According to a GfK study in 2016 on consumer perceptions of drinks cans, 14-17-year olds placed recyclability ahead of convenience in terms of important factors when choosing a drink. Consumers over 35 believe that the can's recyclability is its strongest feature. These two age groups are making environmental considerations a more important factor when purchasing a drink.

Overall, the research also found that 52 per cent believe it's important to consider the environment when choosing a drinks pack. Only 1 per cent think the drinks can can't be recycled at all. Cans are now seen as delivering a good tasting product in an easy to drink, recyclable pack. 71 per cent said that drinks from cans tasted good whilst 44 per cent said that the look of the can is nice, thanks to more innovative, bold designs.

"The biggest advantage of using aluminium cans has to be around their recyclability, with metal having the potential to be recycled over and over again infinitely without losing its quality. Almost 75% of metal packaging is recycled in Europe, making the can the most recycled drink pack type out there. Metal cans also save on raw materials, energy consumption and CO2 emissions. So, they are altogether a lot smarter as well as futuristic - which appeals to our audience."

Josh White, Marketing Director, CanOWater

THE OPPORTUNITY FOR DRINKS BRANDS

Recycling materials has long been an important part of sustainable living to reduce waste and the use of energy. Aluminium specifically has long been a leader in recycling because it is a valuable permanent material that can be recycled again and again, without losing any quality of its structural integrity. It can be reformed and transformed infinitely. What may start out as a drinks can, can then be recycled, melted down and then turned back into another can, or a smartphone, a car or perhaps even an airplane wing.

Aluminium beverage cans have now been certified as the world's most recycled drinks container by Resource Recycling Systems (RRS). To compare, the global weighted average recycling rate for aluminium was found to be 69 per cent, compared to PET at 43 per cent and glass at 46 per cent. The success of recycling aluminium is not just down to conscientious industries or consumers, it is also down to the fact that aluminium cans are much more valuable than other packaging materials, making the collection, separation and recycling of drinks cans easily, financially viable and self-sustaining.

Beverage cans fit into the circular economy – where resources are used, recovered and regenerated. Permanent materials like drinks cans are the building blocks for the circular economy. If you heat aluminium or steel scrap in a recycling facility to the point where it melts, what comes out is completely the same as what went in because metal is unalterable structurally. It's then kept in use at its highest utility and value forever, ensuring that the maximum usage out of metal through recycling is achieved. This continuous recycling process is also defined as 'real recycling'.

It's not just the responsibility of conscientious consumers however to create a functioning circular economy: there is a need for the right legislative framework to be in place. It is inherent in a circular economy that it starts and ends with a new product that can be recycled again and again. Recycling rates are a good indicator of whether or not recyclates are used for new applications. Packaging and packaging waste policies should be based on sound life-cycle assessments. In a circular economy this means the focus should be on multiple-life-cycles without the necessary addition of new virgin materials.

Not only is the drinks can sustainable from a material perspective, due to its lightweight, 'stackable' quality, cans are extremely cube efficient. This means reduced transport and carbon cost throughout the supply chain when compared to bottles.

Highlighting the pack's real green credentials can be a win for a brand in terms of competition and delivering on consumer promises. Meeting and exceeding consumer expectations is the basic principle of business and consumers today are increasingly demanding that the products they choose to buy are as sustainable as possible. Thanks to the ability to produce bold and vibrant designs, the aluminium drinks can also fulfil the need for customers who want products that fit in with their lifestyles – a winning formula for millennials.

"Aluminium cans recycling rates have already achieved the 72 per cent milestone in the UK and we are now working towards a European metal industry target of an 85 per cent recycling rate by 2020. The metal packaging industry is the perfect example of a circular economy, with metal recycling forever in a material-to-material loop. When a metal product reaches the end of its useful life, the material is never lost. The materials are simply collected and recycled, over and over, with no loss of their inherent properties or quality."

Marcel Arsand, Chairman of the Can Makers

SUSTAINABILITY OF THE CAN

- Infinitely recyclable – without loss of quality
- Most recycled drinks container in the world
- Metal, as a highly recycled permanent material, saves raw materials, energy consumption and CO2 emissions
- Cans are cube efficient, requiring less space therefore less cost for transportation
- Recycled aluminium has exactly the same properties as new – but takes just five per cent of the energy to produce

EVERY CAN COLLECTED WILL BE RECYCLED

Metal cans are also a better recycling choice because the material is much more valuable than other packaging formats. The collection and recycling process itself is sustainable as the price paid for the aluminium more than covers the cost of collection.

The UK already has an abundance of sorting and reprocessing structures and the recycling industry is keen for more material. This makes it more cost effective as complex, expensive processing infrastructures already exist and work.

We have seen through announcements at the start of 2018 from big name brands such as Coca-Cola that the drinks industry is committed to maximising the recycling of all packaging placed on the market. With the UK metals recycling structure, on-the-go facilities and well-established kerbside

schemes, cans are the leading recyclable material going forward for drinks brands to achieve the ambition that every can will be recycled.

WHAT MORE CAN BE DONE?

Whilst consumers' attitudes towards sustainability have changed and are still changing, metal packaging must be fully recognised in the consumers' eyes as the model for real recycling in order for recycling to be even more successful. The recycling numbers to date are extremely encouraging, but there is much more that can be done to meet the 2020 metal packaging industry's own ambition of an 85 per cent recycling rate and 90 per cent by 2030.

To reach this objective, consumer engagement campaigns, like Can Maker co-funded EveryCanCounts and MetalMatters, continue to be important. These are government recognised, long standing campaigns that encourage more businesses and consumers to recycle cans whether at work, at home or out and about.

These schemes have already made an impact: the home scheme MetalMatters campaigns have been delivered in 84 local authorities across the UK to date, reaching over 5.5 million (20 per cent) of all households and increased kerbside metal recycling rates by up to 32 per cent.

Businesses and other authorities have their role to play too. The Extended Producer Responsibility (EPR) is a good industry example of support for manufacturers to increase recycling and reuse materials. The scheme involves charging producers lower fees for using metals such as aluminium or steel, as they are highly recyclable. This scheme can be enhanced and improved further to be the best solution to increase recycling rates most efficiently and cost effectively.

Legislative frameworks are also needed to create a functioning circular economy, where valuable materials are re-formed, re-purposed and re-introduced back into the economy. Packaging and packaging waste policies should be based on sound life-cycle assessments. In a circular economy, this means the focus should be on multiple life-cycles.

CONCLUSION

For drinks brands looking for strongly sustainable packaging options, cans offer a strong solution.

This guide has been intended to act as an introduction to sustainable drinks packaging and the opportunity that drinks cans offer brands.

For further reading, please visit:

- Metal Packaging Europe (MPE) - http://www.metalpackagingeurope.org/sustainability#smooth-scroll-top
- Alupro - https://alupro.org.uk/aluminium-packaging-real-recycling-aluminium-drinks-cans-hit-72-recycling-rate-data-shows-almost-100-recycled-within-europe/
- Metal Packaging Manufacturers Association (MPMA) - http://www.mpma.org.uk/pages/pv.asp?p=mpma8

Or share your sustainability stories with us by contacting: canmakers@onechocolatecomms.co.uk.

To learn more about the beverage can industry in the UK, visit www.canmakers.co.uk