

At ETCH Sourcing, we're creating connections between sourcing and an open-sourced toolbox full of sustainable procurement (SP) opportunities that can guide supply chain and sustainability professionals through each step of the procurement process, with a respective UN Sustainable Development Goal in mind.

Organized by spend category and in line with the UN Standard Products and Services Code, our SPARK Series highlights some of the most innovative opportunities in Supply Chain.



Category Focus: Packaging Materials

Packaging Boxes · Packaging Bags · Packaging Pouches · Packaging Cans · Bottles

Industry Quick Facts – click on each icon to navigate to the relevant industry source


Push for conformity in packaging **regulation** to ensure production and sale of products worldwide



McDonald's announced its packaging will be 100% **renewable/recycled** by 2025

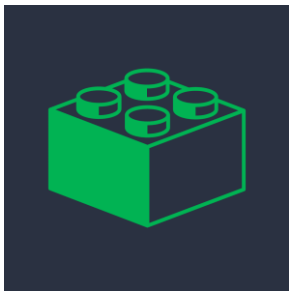


By creating a **circular economy** of packaging, you both extend its **lifecycle** and **usability**



Quick Win SP Opportunities

Actionable Opportunity	Tangible Benefits	Measure Success
<p>1 Integrate end-of-life solutions by developing an improved understanding of the solid waste and material recovery system</p>	<ul style="list-style-type: none"> ↓ amount of packaging in the solid-waste stream Increased recovery of plastic reaching the marine environment. 	<ul style="list-style-type: none"> % waste diversion rate Packaging collection programs Recovery material ratios
<p>2 Improve lifecycle assessment (LCA) metrics to validate sustainability of packaging systems</p>	<ul style="list-style-type: none"> Improved water usage consumption Increased transparency of manufacturing process 	<ul style="list-style-type: none"> Water consumption per unit % landfill waste reporting Packaging quality
<p>3 Perform an audit to investigate the effects of changes in supply chain; what are the improvements made to packaging?</p>	<ul style="list-style-type: none"> Quantitative assessments of product performance Visibility into current state; establish baseline and determine future goals 	<ul style="list-style-type: none"> Consumer interest in sustainable packaging Regular audit reporting Packaging toxicity reduction



Procurement Disruption in Action: Plastic Packaging



Plastic packaging is ingrained into our modern lives, as we produce roughly 300 million tonnes of plastic waste every year. Among the different types of plastic products, single-use packaging is the most environmentally damaging use of plastics.

SP Process Guide

Category Management

Assessment

1. Conduct audit on your packaging’s manufacturing process; find out what materials are used and why those specific materials are used (price, durability, look)
2. Assess if your suppliers have alternatives to plastics that are less damaging compared to your current materials and methods – identify high impact products
3. Assess if there is an opportunity for bulk packaging

Opportunity Identification

Commercial Value - Time and cost savings, quality control, quality consistency.

Sustainability Value - Reduced material waste & carbon footprint, longer product lifetime.

Strategic Sourcing

Strategy Build & Execution

1. Communicate with existing suppliers if product redesign is possible to reduce packaging
2. Obtain alignment with stakeholders whether to use existing supplier or conduct a competitive bid RFP
3. Award points for suppliers that conduct buy-back or circular economy programs of packaging materials

Supplier Negotiation & Contract

Include requirements for sourcing materials from local suppliers. Require a proactive, thorough safety plan, check compliance and related certifications. Leverage bulk purchases, milestone payments and delay penalties. Evaluate the possibility to enforce your choice of materials and changes in the manufacturing process.

Sustainment

Supplier Performance & Relationship Management:

1. Establish metrics for package reduction strategies, what works and what doesn't work?
2. Evaluated if there are improved efficiencies with minimizing packaging or repackaging products differently.
3. Integrate GHG reporting, chemical usage reporting, quality standards reporting, and waste audits as KPIs

In Practice: Change in Action

The Canadian Council of Ministers of the Environment (CCME) released a Canada-wide strategy on zero plastic waste in 2018. The documents outline the circular economy approach the CCME will undertake to promote reusable, recyclable, recoverable, and other viable alternatives to plastics by 2030. Since 2017, federal regulations have been placed on the use of plastic microbeads in toiletries. More policies are expected to follow.

click icon for source

