

OPENING ADDRESS BY MR DOUGLAS FOO, SMF PRESIDENT

AT THE SINGAPORE PACKAGING AGREEMENT (SPA)

10th ANNIVERSARY PACKAGING CONFERENCE

ON 5 JUNE 2017 AT 2:30PM

INTERCONTINENTAL SINGAPORE, BUGIS GRAND BALLROOM

Distinguished Speakers and Guests,

Ladies and Gentlemen;

Good afternoon.

1. It is my pleasure to join you at today's Singapore Packaging Agreement 10th Anniversary Packaging Conference. This event by NEA's Singapore Packaging Agreement Governing Board, is a meaningful platform to showcase and to exchange ideas, practices and perspectives on sustainable packaging waste management.

Singapore's packaging waste management

2. This year is the 10th year of the voluntary Singapore Packaging Agreement (SPA). Since its inception in 2007, this successful long-

standing programme has now gathered close to 200 signatories from various parties including industry partners, manufacturing companies, non-governmental organisations. To date, SPA has achieved a cumulative reduction of more than 32,000 tonnes of packaging waste which also translates to approximately S\$75 million in savings for our signatories in material costs of locally-consumed products. But in spite of this encouraging results, this is not enough as packaging waste contributes approximately one-third of our domestic waste. Therefore, more needs to be done.

3. I strongly believe with the advancement of technology such as data analytics and Internet of Things (IoT), we can go even beyond the cradle-to-cradle approach of using recycled waste as packaging material. I understand this is a bold statement to make but since its introduction, the cradle-to-cradle approach to close the loop of a product life cycle has proven not to be entirely sufficient. In other words, this approach is not sustainable as it does not take into account the entire eco-system of which the product line is part of. Therefore, I would like to suggest looking at sustainability from the perspective of an entire eco-system. This can be defined as Supply Chain Management.

Packaging in Supply Chain Management

4. Supply Chain Management (SCM) encompasses the planning and management of all activities involved in sourcing, procurement, conversion, and logistics management. To effectively manage packaging waste, packaging has to be viewed in the context of supply chain management. For example, coordination and collaboration with supply chain partners on waste minimisation in packaging can be arranged.

5. However, more than just focusing on processes, it is the people that are involved in the process who are key in creating a culture of innovation and efficiency towards waste management. That is why I encourage companies to equip their employees with the right mindset, productivity tools and methodology (such as 5S) for lean manufacturing. The 5S are simply core principles called – “sort”, “set in order”, “shine”, “standardise”, and “sustain”¹. Adopting this supply chain management

• ¹ *Seiri* (sort): Sort out unneeded items. / *Seiton* (straighten / sort in order): Have a place for everything. / *Seiso* (shine): Keep the area clean. / *Seiketsu* (standardise): Create rules and standard operating procedures / *Shitsuke* (sustain): Maintain the system and continue to improve it.

approach would allow manufacturers, brand owners, component suppliers, intermediaries, logistic service providers and retailers to work together to tackle packaging waste management in a holistic manner.

GreenPac

6. Take for instance, GreenPac. A member of SMF, GreenPac started with environmental sustainability in mind with its innovative green solutions that are in line with the 3Rs of reduce, reuse and recycle. With the provision of sustainable packaging solutions being at the core of its business model, GreenPac is constantly presented with new opportunities to improve the packaging resource efficiency of its clients' products. It actively encourages its clients and partner companies to discuss and work together to develop workable and cost-effective solutions to reduce packaging waste.

7. One such initiative from this Supply Chain Management is when GreenPac re-designed the packaging used to house a client's heavy and bulky medical microscope. The old packaging was made out of

wood while the new packaging is made out of a lighter polypropylene (PP) corrugated sheet. The design overhaul saw the packaging weight reduced from 80kg to 32kg – a 60% reduction. This allowed the company to avoid 4.13 tonnes of packaging material a year while reaping in annual material cost savings of \$17,200.

PS Food & Beverage

8. Another SMF member, PS Food & Beverage is a liquid pouches manufacturer with its flexible packaging used for their beverage line of juices and tea with juice using pure concentrated fruit juices, under their house brand “Origina”. PS Food & Beverage adopts flexible packaging. PS Food & Beverages engages their consumers by incentivising the return of used or empty drink pouches with a free eco-gift such as a tumbler. These collected used pouches are then recycled.

9. Not satisfied with its packaging waste management, it further reduced its packaging material usage by 27grams per pack last year. This translated to a total packaging material savings of 13.5 tons of raw materials per year that translated to \$4,000 in cost savings. Before, it

could only fit 24 packs per carton. After the reduction, 40 packs could fit in one carton. This also meant PS Food & Beverage not only saved in packaging cost, but also improved efficiency in being able to transport more of its products with the same space and energy.

Embracing IOT for improving sustainability

10. At the Singapore Manufacturing Federation (or SMF in short), where we are at the forefront of the emerging trends such as robotics, 3D printing and with the Internet of Things (IoT), we are observing the huge potential to improve sustainability drastically by leveraging on data and IoT especially in operating to a larger extend on a global supply and demand market. With transparency through the communication of data within IoT, the movement of products can be closely monitored to get an accurate idea of how many and what kind of products that need to be produced. By customising one's manufacturing strategy with IoT, a company is able to optimise resources and avoid discarding unconsumed products as waste that may expire.

SMF's role in packaging sustainability

11. SMF's Packaging Industry Group or better known as the Packaging Council of Singapore (PCS) is constantly learning from other countries in order to stay ahead of the curve. Last month, PCS led a business mission trip comprising of local packaging SME manufacturers to Germany where they attended Interpack Expo for the global packaging industry. The team led by its chairman, Ms Betty Tan would be organising a session soon to share their learnings to fellow PCS members.

12. PCS also organises the annual Singapore Packaging Star Award that recognises and honors companies with creative and innovative designs for their products. The aim of the award is to inspire companies in the packaging and printing industry to increase the standards of packaging production that embraces innovation and, technology and environmental sustainability. The next ceremony and gala dinner will be held this August. If you like to learn more about PCS and the upcoming events that I have mentioned, please visit their website at packaging.org.sg.

Conclusion

13. In closing, I congratulate the Singapore Packaging Agreement on its 10 year anniversary! I would also like to thank the governing board of Singapore Packaging Agreement for inviting me to be part of this meaningful conference. I believe with today's panel of guest speakers, those present here today will make good use of this chance to learn of new ideas and opportunities in packaging sustainable packaging waste management in Singapore.

14. I wish all of you a fruitful conference. Thank you!

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