



JULY 2010 n° 9

*Better quality of life  
through better packaging  
for more people.*



## W P O N E W S

### President's word

#### From China to the world!



The Chinese Packaging Federation hosted the World Packaging Organisation's (WPO) meetings in Beijing at the beginning of June 2010 with great success. There were a few significant events that WPO members were involved in, such as the World Packaging Conference with over a thousand delegates. The theme was "Cooperation, Innovation, Development and Win-Win". The morning speakers dealt with the global economy and packaging's major role in supporting growth and China's commitment to progress. The afternoon session dealt with specific subjects related to the conference theme.

Who will ever forget the process of taking the group photograph of all those who attended the conference standing and sitting on a grandstand whilst the animated photographer set the scene and atmosphere for taking the picture??? What was even more startling was the fact that as we left the afternoon session the three meter long photograph was up on display! The detail was great and the size of the photo highlighted the fact that China is about size and a willingness to be the best.

Then there was the China International Packaging Fair 2010 organized by our hosts, the China Packaging Federation (CPF). Shi Wanpeng, President of CPF and a Vice President of WPO, officially opened the show and I was honoured to be driven around the exciting exhibits with him. He is held in very high esteem by all the exhibitors and the packaging fraternity in China.

The exhibition halls covered over 60,000 square meters with 800 exhibitors. Without doubt the Chinese packaging industry is becoming world class both in terms of the manufacture of machinery and the manufacture of packaging products.

The WPO meetings were well attended and some meaningful decisions taken. It was decided to adopt the Tanzania project that entailed supporting the establishment of the Tanzanian Institute of Packaging and conducting a packaging education workshop. Support for this project has come from sponsorship from CPF; the Institute of Packaging South Africa

will assist in managing the process. This initiative will, without doubt, achieve the WPO vision of providing "Better quality of life through better packaging for more people".

Other two important agreements were signed; one between WPO and The Institute of Materials, Minerals and Mining (IOM3), in the United Kingdom, for managing all aspects associated with the WorldStar Competition and the other with the Swedish company Innventia in respect of hosting the WPO General Secretariat.

CPF put together a gala evening as part of the WorldStar Awards ceremony with recipients attending from all over the world. The President's Awards were made to, Gold Award - Sadia S.A. Brazil, Silver Award – SCA Packaging, Finland, Bronze Award to Nampak Bevcan, South Africa. The Sustainable Gold Packaging Awards went to China Mobile Communications and Huawei Technologies.

From Beijing I flew down to the WPO member in Hangzhou and visited the Asian Packaging Centre (APC). It was exciting to visit the building site where construction is well on the way towards establishing the first of their multi-story office blocks. These offices will be made available to local and international packaging companies. Linked to the office project is the large tract of ground that has been established to provide facilities for the building of packaging factories. This is an opportunity for both local and international packaging companies to take advantage of the special facilities and incentives.

Directly after leaving China I had the privilege of attending the opening of the first Global Training Workshop in Mumbai. This program was sponsored by WPO. The event was hosted by the WPO members, the Indian Institute of Packaging and The Packaging Society, UK. The course is held over two weeks, incorporating lectures, factory visits as well as receiving on-line training from The Packaging Society. Fourteen participants from eight countries took part in the program. It is the intention to duplicate this type of packaging educational training in other parts of the world.

Among all of these, sustainability continues to be a priority in WPO activities and a priority is to be able to use the strength of our members to provide information and initiatives that are practical and add meaning to organizations' sustainability strategies.

*\*Keith Pearson is the President of WPO (World Packaging Organization)* 

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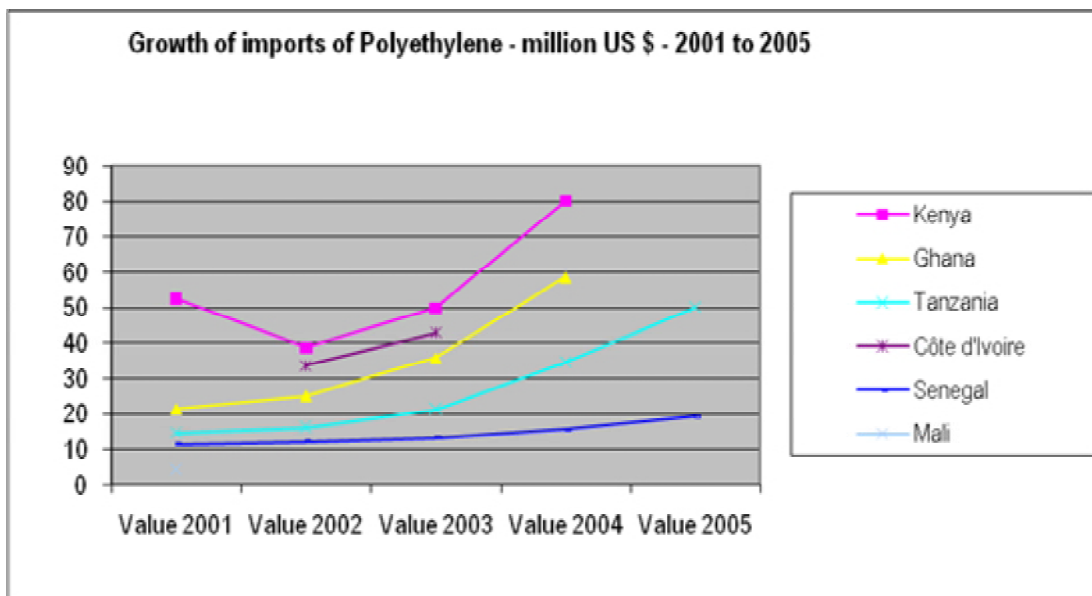
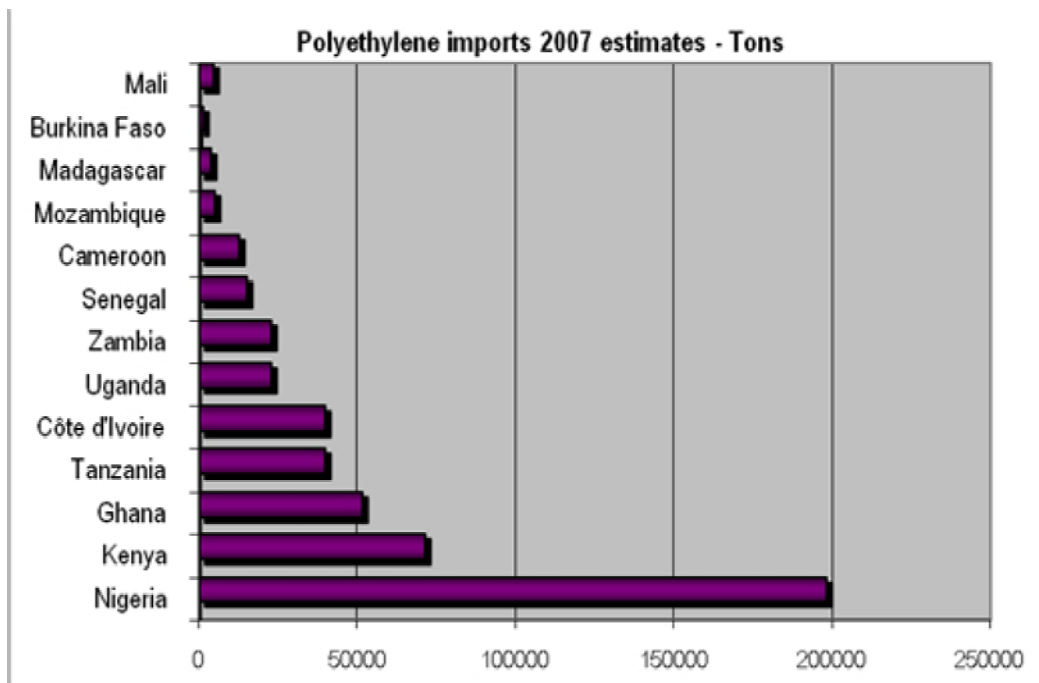
## Inside WPO

### Creation of Tanzanian Institute of Packaging


At the recently WPO board meeting held in Beijing (China) a resolution was passed accepting the proposal that Tanzania be supported in its efforts to establish the Tanzanian Institute of Packaging. This project will support the country's packaging education and training efforts and by the association with WPO create opportunities for networking and capacity building.

Situated just below Kenya on the East Coast of Africa, Tanzania has a population of 30.5 million inhabitants; the main language is English. There are a number of international food companies present in the country but many businesses still focused on plantation type products and on fast moving consumer goods. There is a need for the local manufacture of FMCG type products to be produced locally. An upgraded packaging industry will go a long way towards promoting the exports of agricultural type products.

The packaging industry is more or less meeting the current domestic and exports demand and is geared up to meet new demands. A large number of packaging manufacturers operate in the private sector. By supporting the Tanzanian packaging industry WPO will be honouring the commitment to provide "Better quality of life through better packaging for more people". The project should start later in 2010 and it will conduct a training programme before the end of the year.



## WPO making good use of communication technology

The executive board of WPO, the president Keith Pearson from South Africa, Carl Olsmats, general secretary from Sweden and Rachel Brooks from IOM3 UK, promoted on June 29th a skype meeting in order to discuss the projects of the World Packaging Organization. Bringing together the Vice Presidents hosted in different areas of the globe - Tom Schneider, USA; Dogan Erberk, Turkey; Luciana Pellegrino, Brazil and Gordon Stewart, UK, the skype meeting reached the objective of pushing programs forward in-between the Board meetings. 

## Events

### Emballage 2010

This international show, scheduled for November 22 to 25 in Paris Nord Villepinte, France, is considered one of the major international packaging event presenting materials and machinery. It's considered the ideal meeting point for business exchanges and a showcase of innovation. The 39th edition this year is being seen even more international, with 1,500 exhibitors representing some 50 countries. There are expected 110,000 visitors from 142 countries. More information visit [www.emballageweb.com](http://www.emballageweb.com).



### Packprint Tunisia 2011



Under the signing of innovation and sustainability, the second edition of PackPrint Tunisia - International Packaging and Printing Exhibition will be a co-organisation with the National Federation of the Paper and the Tunisian Packaging Technical Center, Packtec, a WPO member. It will be held from 12 to 15 April 2011.

This biennial event has the overall objective to present the state of innovation in the field of packaging and printing and the impact of sustainability approach on these fields. It tends to be a meeting for manufacturers, exporters and economic operators from Arab, African and Mediterranean countries.

It will be also an opportunity to acquire updated information to master all element and criteria required in achieving packaging and printing strategies. The exhibition will bring together, under a single interface, the novelties and trends of the packaging industry and its related activities like printing, paper and graphic arts, in Tunisia and worldwide. More information visit [www.packtec-tunisia.com](http://www.packtec-tunisia.com).

### Congress in South Africa

The Institute of Packaging South Africa, a WPO member, is holding their annual Congress August 18 and 19. Entitled "Link for the future", the event is structured to promote knowledge, professionalism, education and networking for all those involved in the production and use of packaging. Many topical issues and developments in the industry will be addressed over the two days; the event will provide valuable information and critical updates for anyone with any interest in this core industry. More information with Keith Pearson by e-mail [glacier@tiscali.co.za](mailto:glacier@tiscali.co.za).



### Other important events to come

- Taropak 2010 (International Packaging Technology and Logistics Exhibition) - Poznan (Poland)  
September 13 to 16 [www.taropak.pl](http://www.taropak.pl)
- Pactec 2010 (Packaging and Materials Handling) – Helsinki (Finland)  
September 21 to 24 [www.finnexpo.fi](http://www.finnexpo.fi)
- Tokyo Pack 2010 – Tokyo (Japan)  
October 5 to 8 [www.tokyo-pack.jp](http://www.tokyo-pack.jp)

- Macropak 2010 – Jaarbeurs (Netherlands)  
October 5 to 8 [www.macropak.nl](http://www.macropak.nl)
- PackExpo Internacional – Chicago (USA)  
October 31 to November 3 [www.packexpo.com](http://www.packexpo.com)
- Propak Indonesia 2010 (23rd International Series of Exhibitions for the Processing & Packaging Industries) –  
Yakarta (Indonesia)  
December 1 to 4 [www.propakindonesia.com](http://www.propakindonesia.com) 

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## Around the world

### Rosupak 15th anniversary

The 15th edition of Rosupak was held from June 15 to 18 in Moscow Crocus Expo Center and it was the first one after the economic recession is over. Considering one of the two significant packaging exhibitions in Russia, the event is organized by the International Exhibition Company MVK under the auspices of the Moscow Government, Trade & Industry Chamber of the Russian Federation and Moscow Trade & Industry Chamber. The Exhibition is also supported by the National Confederation of Packagers/NKPak and Pakmash Association.



In its 20,000 square meters the exhibition joined 650 exhibitors presenting equipment and technologies for food and processing industry; packaging and packaging materials, including premium-class packaging and aluminum based packaging; and packaging machinery and equipment for packaging production and packaging design.

A quarter of the exhibitors were foreign companies and part of those companies was represented by the joint national exhibitions. The French one, for example, organized by the French department of export development presented equipments for the production of tubes, flexible packaging production line, equipment for paper bag manufacture, materials for thermoforming and machinery for plastic material reprocessing.

The Chinese exhibitors showed a large choice of solutions from the cheapest products to the complex packaging equipments. Also with a strong participation were the Turkish companies, as well as the companies from Germany, Great Britain, Austria, USA, The Netherlands, Bulgaria, Czech Republic, Poland and Japan. In total, 28 countries participated in this trade show.

According to the visitors, the business activities in Russia are recovering, therefore, the demand for packaging, labeling and logistics is also in progress. For this reason, there were a great number of meetings and round tables during Rosupak, on a very wide number of issues, to promote the interaction of the packaging market members and their customers.

The National Confederation of Packagers of Russia (NKPak) took an active part in the organization of the business program events. They organized the 3rd International Business Forum "Strategic solutions for the Russian packaging industry". Another exciting event during the show was the ceremony of award of the winners of the 5th National Competition for the Best Packaging "Grand-Star Russia 2010". The number of participants this year doubled in relation to 2009, which testifies the recovering of the business activities in the Russian packaging industry.

### Scientific conference in Ukraine

From May 18 to 21, the Club Packagers of Ukraine together with the Ministry of Education and Science and Information Analytical Center "Upakovka" held the scientific-practical conference "Packaging Industry (status and prospects)". About 60 experts from the packaging industry in Ukraine and Russia gathered in Alushta to participate in the five plenary, 12 technical sessions and round tables. The main focus was the problems of modern packaging industry.

The plenary report touched every contemporary issues of packaging and the main conclusion was that "the development of this industry largely depends on the general state of the economy. But the current financial and economic crisis, which led



to a fall in consumer demand for food products and manufactured goods, could not affect the development and packaging". The conference had two sessions, one dedicated to packaging, paper, cardboard and corrugated board and the other to the plastic packaging sector.

According to most participants, the importance of an event like this is: "We can not meet our direct customers here, but we can find important knowledge, information on new materials, technologies, packaging, use of which in our work. These will certainly lead us to new customers."



## 20 years of Hungarian Association

The Hungarian Association of Packaging and Materials Handling (HAPMH), a member of WPO, has celebrated its 20th anniversary with a seminar and a celebration. One of the main speakers was Dogan Erberk, from the Turkish Packaging Association and Vice President of WPO.

In the celebration party, from left to right, Dr. István Debreczeny, founder and first President of HAPMH; György Viszkei, former General Secretary and recently Co-President; Dr. Béla Kertész, General Secretary; Beyhan Erberk; Miklós Galli, President of HAPMH; and Dogan Erberk, Vice President of WPO.



## Tunis at Emballage 2010

The Tunisian Packaging Technical Center, a WPO member, will participate for the first time, with a Tunisian pavilion, in the Emballage 2010 - International Packaging Exhibition that will be held from 22 to 25 November in Paris (France). The 45 m<sup>2</sup> area will gather leading companies in the packaging sector representing several segments (plastic packaging, cardboard, metal, wood).

There will be also a presentation about the main development in the Tunisian packaging sector during the PackVision Conference. The idea is to offer the participants an opportunity to learn more about the current technical developments, and the new strategic and marketing challenges facing the packaging industry.

Like in previous editions, a Tunisian delegation of packaging professional is being organized through a partnership with Tunisian-French Chamber of Commerce and Industry. The objective is to make it easier the visiting to Emballage and to target personal contacts with foreign suppliers, besides getting the necessary information for delegation's members.

## South African diploma in packaging technology

The South African Institute of Packaging's One Year Diploma in Packaging Technology continues to grow significantly year after year in terms of number of students and recognition by packaging industry in the country as well as being accredited by The Packaging Society (UK), the Australian Institute of Packaging, and by WPO. It offers a comprehensive in depth insight into all aspects of packaging and maintains a high standard of academic achievement with 5 tests, two national examinations and a 5 months practical assignment requirement.

The Institute's educational management team has also recently developed a Students' Interactive Learning website and is in the final stages of planning a (next level) advanced Packaging Leadership course for graduates of the diploma course. The diploma course is also utilised "under licence" by certain African countries who have no access to similar training programmes locally, with standards being monitored by the IPSA educational authority. There is also the possibility of the course being utilised in future on a distance learning basis by employees of multinationals who have interests in African countries and Middle East, but have no access to local educational opportunities for their staff in the packaging field. For more information visit [www.ipsa.org.za](http://www.ipsa.org.za).

## Brazilian International Food Week



With the Brazilian economy heating up, the Brazilian food industry has begun to invest again and expects to grow in 2010. In this scenario the 2nd International Food Week, held by Brazil Trade Shows (BTS), in São Paulo, from June 7–11, brought together two of Latin America's largest trade shows for the food and beverage industries, Fispal Tecnologia and Fispal Food Service. Inside Fispal Food Service there were TecnoSorvetes, the ice cream industry trade show, and Espaço Café Brasil, the key meeting point for Brazil's coffee sector.

Together, the four trade shows attracted 5,000 exhibitors and more than 140,000 visitors and buyers; they occupy São Paulo's two major exhibition pavilions – Anhembi and Expo Center

Norte. According to exhibitors, this year visitors were even more highly qualified in terms of decision-making power, and even more closely segmented by area of interest.

Marco Antonio Mastrandonakis, CEO of BTS, explains the success of its International Food Week follows the development of Brazil's economy. "The positive results for exhibitors and visitors reflect the growth of Brazilian domestic consumption, and the fact that Brazil is on the agenda of major global investors."

It is expected that the machinery and equipment industry invest R\$ 8.7 billion this year, according to the sectors association Abimaq; the food service sector is expected to grow by 15% this year. A survey indicates that by 2014, as many as 83 million Brazilians are likely to be taking meals outside their homes, and that the amount they spend per person is likely to increase from 25% to 40% of their food budget. Today some 60 million Brazilians eat outside their homes, creating sales revenue of R\$ 420 million per day for the country's Food Service sector.

## Singapore Packaging Star Awards 2009

PCS held the Singapore Packaging Star Awards Presentation 2009 on 18 May at Shangri-la Hotel. At this award presentation, all winners, commercial and student received the awards and certificate for both the Singapore Star and Asia Star Awards. At the same occasion, Singapore Manufacturers' Federation held its 78th Anniversary Dinner having as its Guest of Honour, Deputy Prime Minister and Minister of Defence, Teo Chee Hean. More information e-mail to [chanaimun@smafederation.org.sg](mailto:chanaimun@smafederation.org.sg).



## Maximum performance with minimal environmental impact

The Packaging Council of Singapore organised a talk, in collaboration with Sealed Air Singapore Pte Ltd, on Sustainable Solutions – Developing Maximum Performance with Minimal Environmental Impact in the beginning of June. The guest speaker, Bill Armstrong, with more than 40 years of experience in packaging and also the Technical Development Manager for

Sealed Air Corporation, shared his knowledge in reducing carbon emission to the environment. He also gave a practical look at why certain packaging materials can be an option to maintain maximum performance with minimal environmental impact. More information e-mail to [chanaimun@smafederation.org.sg](mailto:chanaimun@smafederation.org.sg).

## The success of Indiapack in 2010



India has emerged as one of the major consumer markets in the Asian region. Packaging being one of India's fastest growing industries with an average growth rate of around 15% p.a. which is more than twice the global average. This shows the immense potential in the industry. This growth is expected to be doubled in next two years and figures indicate towards a change in the industrial and consumer set up. With a rapid growth in markets like food, beverage, pharmaceutical, cosmetics and textile has provided momentum for the need of packaging as all these sectors need specialized packaging.



After the successes of previous editions of Indiapack, it has grown as a brand name in Indian Packaging industry and world over. Recognizing that the new trends and development are essential to the industry's bright future, The Indian Institute of Packaging, through Indiapack, seeks to provide a perfect platform to bring the packaging and related industry under one roof.


The period of 30th September to 3rd October 2010 will witness the next edition of Indiapack, the most professionally run packaging exhibition in India bringing a comprehensive range of products, equipment, services and technologies from across the world to meet the sourcing requirements of high value buyers. The event will be held at the Bombay Exhibition Centre, Goregaon (E) Mumbai, offering a wide choice to the buyers.

IIP has appointed Koelnmesse Ya Tradefair Pvt. Ltd. (an Indian subsidiary of Koelnmesse, Germany), as 'Expo Organisers'. To give more synergy to the event and to cover the wide spectrum of food processing and packaging industry, "International FoodTec India 2010", an International exhibition on food processing & packaging technology, equipment and suppliers will be organized concurrent to Indiapack 2010, besides International Summit for Packaging Industry (ISPI 2010) and The National Awards for Excellence in Packaging viz. Indiastar & Pacmachine.

The event is actively supported by Ministry of Commerce & Industry, Ministry of Food Processing Industry, Ministry of Textiles, Government of India, World Packaging Organization (WPO), Asian Packaging Federation (APF), Sri Lanka Institute of Packaging, Sri Lanka Packaging Development Centre, many trade associations from India and abroad like Plastindia Foundation, AIPIMA, AIFTMA, AIFMP, AIPMA, GSPMA, FPEWA, FCBM, IIP Alumni Association and many more. Government of Maharashtra has also supported this event as a "Host State".

More details of the event are available on the official website [www.indiapack.in](http://www.indiapack.in).

It is worth to remember that Indian Institute of Packaging, a WPO member, is an autonomous and apex body working under the Ministry of Commerce & Industry, Government of India for promotion of packaging standards in the country since 1966. With its headquarter and the principal laboratories in Mumbai and other regional offices and laboratories, the activities of the institute are in line with those of the world's premiere packaging Institutes.

IIP's activities includes Training & Education, Organizing Seminars, Conferences & Exhibitions, Awards, Consultancy & Projects, Laboratory testing, Quality evaluation of packaging material and packages, Information & Publication and many more. The institute is closely linked with all the international organizations concerned with packaging technologies. 

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## Sustainability

### The necessity of changing the speech

A vision from Julian Carroll, Managing Director of Europen - The European Association for Packaging and Environment.

These days everyone is talking about sustainable packaging but nobody quite knows how to define it. To solve this problem it would be best if we started talking about packaging and sustainability, specifically the essential contribution of packaging to the achievement of the global sustainability goals of smarter resource use and less waste generation.

We need to look at the big picture. After all, people don't buy packaging, they buy the goods it contains and plenty of research shows that even in food and beverage applications the total resource component of a product's packaging is less than 10% of the product and even less for higher priced goods.

For decades packaging has been wrongly criticized as a waste of resources. But now, in the current sustainability debate, we have an opportunity to reverse this default position by portraying packaging as part of the solution not part of the problem. Saving resources is the story we need to effectively tell. This is not to diminish the importance and value of our industry performance over many years in reducing packaging and lowering its environmental burden.

While these initiatives should and will continue, the packaged goods supply chain – from raw material producers through to the retail sector – urgently needs to broaden its packaging horizon beyond issues like source reduction, recyclability, recycled content and compostability and paint a broader picture of how packaging helps achieve sustainability. In this way we can turn a threat into an opportunity.

One obvious way of doing this, in an easily understood way, is to better connect packaging with the current hot topic of food waste. Driven by higher food prices, the worry of food shortages as consumption patterns change due to growing prosperity in developing countries and daily reminders of our need to conserve energy, this subject is rapidly climbing the political and social agenda.

Instead of harping on recyclability or recycled content of packaging, a communications strategy aimed at telling consumers how packaging contributes to preventing product waste (and the resource saving of that in proportion to resources used for the packaging) can go a long way towards helping get this message across to consumers. Such a campaign will also increase understanding of what really matters in saving resources and minimising waste.

This is an opportunity not to be missed. It can provide a win not only for the packaging industry but also a win for creating a better and more correct understanding of what sustainability really means in relation to packaging.

### 3 Rs + Incineration

*By Eduardo Cruz Prado\**

Besides protecting materials and products, the packaging industry could go much farther in the fulfillment of a social responsibility: being a vital element in the conservation of the world according to the human beings desire. One of the ways, and probably the most efficient, can be the implementation of the 3Rs plus the incineration system. And my proposal is that Latin America takes this decision in its hands.

The 3Rs concept implies in the use of the material, recirculating, reusing and recycling, as follows:

- Recirculation – use part of the same material in the production of the same manufactured product.
- Reuse – use the manufactured product repeatedly for other applications.
- Recycle – use this manufactured product as raw material for the manufacturing of other products with different applications.

Non renewable resources have a certain limit which is their extinction. In principle, these resources must be replaced with renewable resources, but also apply effective and efficiently the 3Rs resource, since these imply an important saving in consumption.

Also, plenty of benefits are obtained when the 3Rs are applied to the renewable resources. Therefore, the efficient and effective implementation of the 3Rs seem indispensable and in Latin America would be an excellent response to social responsibility.

But no matter how noble the 3Rs concept is to help in the conservation of the world, even in the best condition, it has some limitations. When recirculation is done, materials suffer degradation that prevents the follow up without limits of its performance.

To reduce these technical problems, the resource to dispose residues, specially the municipal, in sanitary stuffing and accumulation in open air, is not a solution. We all know that the filtration damage the under soil and the space to do it is

limited, as countries the size of Japan has already declared.

Incineration 3Rs and the soil. We must mention, against all that is said, that incineration with advanced technology satisfies the requirements and once again I quote Japan as an example. There the 3Rs concept plus incineration is effectively applied; 80% of the municipal waste are incinerated and the remaining 20% are treated with the 3Rs. As a matter of fact, in Japan there are 192 incineration plants with different technologies.

Metals can be applied the 3Rs, but limited, because at some point the metal fatigue may show up. Carton and paper also have limitation, because with the application of the 3 Rs the quality diminishes to the point that it is preferable to incinerate. The quality of glass also diminishes and at some point it can no longer be used. In plastics we have to remember that there are thermofixed and they cannot be recirculated or recycled. It is in thermoplastics that the 3 Rs can be applied, but again, with limitations, because they degrade and are no longer useful. Organic residues have several applications, but they are not easy to handle.

So, as mentioned, for most of the materials incineration is necessary, but above all, it is indispensable when the accumulation of waste is such that there is no more space to put it away. I believe this is a proposal for today, for tomorrow and for the future of the world.

Great efforts have been made in Europe, especially in Germany, where the Green Dot (Grüne Punkt) have some success. The concept of classifying the garbage is a good point, but not solution. In Switzerland, for example, there are actions taken on a municipal level. However, in many homes in France, no classification is being made.

As far as incineration goes, I wish to say that I have information stating that it is not necessarily profitable, therefore, public institutions will have to make expenditures and employ resources. The CO<sub>2</sub> generated in incineration can be used in the production of polymers like polyethylene and polypropylene, according to a program in Japan that must be completed in the year 2012.

Well, to summarize I would say that we must use renewable resources and the 3 Rs plus incineration. Going further, I would propose the following strategy: less weight, less volume, less material consumption, less energy consumption for all that the human being produces. This will also contribute a lot to the future the humanity.

*\*Eduardo Cruz Prado is a member of the AMEE (Mexican Packaging Association) Board of Directors and past President (1984-1985).* 

## Country Report

### Russia's position in the world packaging market

The review bellow is an extract from the analytical study "Russian packaging market 2009", covering the period from 2006 to 2009 and containing predictions till 2012. This review was prepared by the association "Sojuzupak" last year and the investigations period coincided with the world financial crisis. For this reason, we recommend the readers to use statistical predictions only as basic data corresponding to the most favorable scenario of social and economical development in the RF and worldwide. At the same time the main trends for the development of the market are considered to be highly probable. It is also worth to remind that statistical data 2006-2009 were estimated for the course of exchange: \*) dollar/ruble - 25 - and statistical data 2010-2012 were estimated for the rate of exchange: \*\*) dollar/ruble - 35.



According to the Britain Research Centre Pira International Ltd., the world volume of packaging consumption in 2009 amounts to US\$ 563.85 billion. It means that the average per capita consumption of packaging on our planet is US\$ 86.7. On the other hand, according to WPO's data in a series of developing countries about 50% of agricultural products do bad and do not reach the consumer for lack of required packaging while food spoilage in countries with developed economy is only equal to 2%-3% because they have up-to-date packaging technologies. The significance of packaging for the preservation of life, health, well-being of millions of people can hardly be over estimated.

The yearly consumption volume of packaging in the Russian Federation amounts US\$ 18.2 billion (2008) and because of

such stable (since 2005) yearly rating the Russian Federation occupies the 8th place in the world and the 1st place in East Europe. Russia is only inferior to highly developed countries like USA, Japan, Germany, France, Great Britain, Italy and China.

In spite of a high rate of growth of packaging enterprises and some decrease in the number of inhabitants in the R.F. (142.0 million of people in 2008 against 142.2 million people in 2007), the index of packaging per capita consumption in Russia is considerably inferior to this index in countries as USA, Canada, France, Germany and Japan and is equal to US\$ 128 (2008). By 2012 the increase will amount to about 10% (US\$ 110.5)

Per capita consumption of packaging in the RF (US\$):

| 2006  | 2007  | 2008  | 2009* | Increase (%) |
|-------|-------|-------|-------|--------------|
| 118.5 | 123.2 | 128.2 | 134.1 | 13.2         |

The employment of machines outputting some packaging materials and products reached maximum indexes. In the periods of season demand there is a shortage of packaging which is made up by import. A non-efficient customs policy, however, and annual growth of world prices for imported raw materials and finished products, result in import restrictions and take the Russian companies to introduce new production capacities at the expense of domestic and foreign investments. The consumption of packaging is growing. From 2006 to 2009 the increase was equal to 16.3%.

Packaging consumption (2006-2009) (in US\$ billion):

| 2006   | 2007   | 2008   | 2009*  | Increase (%) |
|--------|--------|--------|--------|--------------|
| 16.443 | 17.310 | 18.220 | 19.131 | 16.3         |

For 2012 the analysis of the rate of growth allows to predict the volume of consumption of more than 548 billion rubles (US\$ 15.66 billion) with the increase by 9.8%.

In 2008 the consumption of various kinds of packaging was equal to:

|  |                   |      |
|--|-------------------|------|
| paper and card-board packaging             | -6.1;             | 33.5 |
| plastic packaging                          | -5.0;             | 27.5 |
| flexible packaging                         | -2.2;             | 12.1 |
| glass packaging                            | -2.1;             | 11.5 |
| metal packaging                            | -1.5;             | 8.3  |
| packaging made of wood and other materials | -1.3;             | 7.1  |
| Total:                                     | US\$ 18.2 billion | 100% |

The production of the overwhelming majority of various kinds of packaging was being developed and invested.

**Paper and card-board packaging** The plant for manufacturing corrugated board with an annual capacity 140 million m<sup>2</sup> was launched in 2008 in the Leningrad area. The plant for manufacturing corrugated board packaging, with annual volume of 150 million m<sup>2</sup>, was put into operation in 2008 in the Moscow area (town of Lukhovitsy). In 2008 the pulp and paper mill company The Segezha (Republic Karelia) provided the introduction of the first production line for manufacturing paper packages for building materials with a total capacity of 400 million sacks/year. In 2008 the Gotek Centre factory (Tula area) worked out the plan of concerning its equipment in the production of corrugated board with a capacity of 160-180 million m<sup>2</sup>/year.

The consumption of paper and cardboard packaging in 2006-2009 (US\$ billion):

| 2006  | 2007  | 2008  | 2009* | Increase (%) |
|-------|-------|-------|-------|--------------|
| 5.392 | 5.736 | 6.105 | 6.469 | 20.0         |

In 2012 the increase in this kind of packaging will be 11% more and the consumption will reach US\$ 5.4 billion. 4.334 thousand tones of paper and cardboard packaging including: materials for manufacturing packages – 3.092 thousand tones; folding cartons – 408 thousand tones; and wrapping paper – 812 thousand tones, were produced in 2008. The consumption of fluted fiberboard had reached 2.486 thousand tones by 2009 in conditions of the decreasing deficit of 250 thousand tones (about 500 million m<sup>2</sup>).

**Plastic packaging** In the RF 35.4% of the total volume of processed plastics is used for manufacturing packaging. Today there is a lack for some plastic materials and technical solutions. In the Tyumen area the specialists have already begun the spade-work concerning the building of the production complex for propylene and polypropylene.

The rated capacity of the enterprise will make up to 500 thousand tones/year. The complex will be put into operation in 2011.

The company Lava is planning to purchase production lines for stretch and other films and to start outputting 5,000 tones/month of stretch films and about 800 tones of tubular films. The company Poli F (Republic Bashkortostan) began manufacturing polyethylene terephthalate (PET). The capacity of the first production line is 60 thousand tones/year. In 2010 the production capacity for manufacturing terephthalate (the PET raw material) will be increased to 600 thousand tones/year and output of PET will reach 400 thousand tones/year.

The company M-Plast (Mordovia) is planning to launch a new plant for manufacturing thermo shrink, 5-layer polyolefin films; its capacity is more than 160 tones of film/month. The flexible packaging materials manufacturers Uralplastic, Slavich, NTL-Packaging, Danaflex, Polymers XXI Century and Conflex have already begun the technical equipment of operating lines.

The consumption of rigid plastic packaging in 2006-2009 (US\$ billion):

| 2006  | 2007  | 2008  | 2009* | Increase (%) in the period 2006-09 |
|-------|-------|-------|-------|------------------------------------|
| 4.431 | 4.708 | 5.004 | 5.299 | 19.6                               |

In 2012 the consumption of rigid plastic packaging will make up 10.4% in addition and will reach US\$ 4.4 billion.

The consumption of flexible plastic packaging in 2006-2009 (US\$ billion):

| 2006  | 2007  | 2008  | 2009* | Increase (%) |
|-------|-------|-------|-------|--------------|
| 1.922 | 2.057 | 2.203 | 2.348 | 22.2         |

In 2012 the consumption of flexible packaging will make up 12% in addition and will reach US\$ 2 billion.

**Glass packaging** The volume of production of this kind of packaging expected for 2010 is 14 billion units and will completely meet the demand of domestic market. In the Krasnodar territory two production lines for manufacturing glass containers were being introduced in 2008 and 2009. The output of glass mass amounts to 240 thousand tones per year. Zao Seversteklo is building a factory with the total capacity of 291 million glass packages per year. The company Russ Jam (Turkey) is planning to build of the glass-works in Novosibirsk area (Tolmachevo region) with an output of 1 billion beer bottles per year. In 2009 a new production line, with capacity for 900 million glass containers per year, started at Ekran (city of Novosibirsk). In the Kuntarkalinsk area (Dagestan) the specialists began building the glass-factory Anzhi Steklo with an annual capacity of 720 million units.

The consumption of glass packaging (US\$ billion):

| 2006  | 2007  | 2008  | 2009* | Increase (%) |
|-------|-------|-------|-------|--------------|
| 1.861 | 1.980 | 2.106 | 2.233 | 20.0         |

In 2012 the increase in consumption of this kind of packaging will make up 11% in addition and will reach US\$ 1.85 billion.



**Metal packaging** From 1999 to 2007 the market of aluminum cans for beverage increased from 300 million to 4.5 billion units. In 2008 Rexam launched the first line in its 4th plant for manufacturing aluminum cans. Its capacity makes up 700 million units per year.

In 2002-2007 the production of tin cans in the RF increased by 43%. In 2008 the consumption of this kind of packaging made up 2430 million units. The company MetUpak outputs 250 million tin cans and ZhestUpak manufactures 40 million tin cans per year. Sibmetapak is putting into service a production line with the capacity of 100 million lids per year.

The consumption of metal packaging in 2006-2009 (US\$ billion):

| 2006  | 2007  | 2008  | 2009* | Increase (%) |
|-------|-------|-------|-------|--------------|
| 1.303 | 1.398 | 1.500 | 1.602 | 23.0         |

In 2012 the increase in consumption of this kind of packaging will make up 11.6% in addition and will reach US\$ 1.35 billion.

**Wood packaging and other materials (textile, flax, cotton, jute, ceramics, cork)** The total production and consumption of packaging made from the materials above (without regard to the consumption of wooden cases by the military and industrial complex) is continually reduced due to the replace by up-to-date plastic and corrugated board packaging, specially in transport packaging.

The consumption of wooden and other packaging (US\$ billion):

| 2006  | 2007  | 2008  | 2009* | Increase (%) |
|-------|-------|-------|-------|--------------|
| 1.534 | 1.427 | 1.303 | 1.179 | -23.2        |

Predictions show that the consumption of these kinds of packaging will reduce. In 2012 this decrease will make up 11.3% in addition for the consumption at the level of US\$ 0.7 billion.

### Brief conclusion and predictions

- The dynamics of the development of packaging in the RF corresponds to the total growth of economy and to the level of well-being of population.
- The packaging market is far from being satiated and is filled by 50% in main sectors.
- The further growth of the market will be accompanied by the annual increase by 4% to 5% and it is mainly valid in the plastic segment (10.5%), corrugated board (7%) and metal (5.7%).
- The following factors are required for the growth of the market:
  - o the growth of well-being of population and culture of consumption;
  - o a more efficient customs policy in the area of importing raw materials for manufacturing the packaging;
  - o a more considerable growth of production in the sector of up-to-date packaging machinery and packaging technologies.

More information about this study with A. Zilonov, General Director of Sojuzupak Association, visiting [www.sojuzupak.com](http://www.sojuzupak.com).


## Packaging and economy in Argentina

The stabilization of the Argentine currency – Peso - during the nineties, although stopped the continuous increase of prices, established a very high value in comparison with US dollar. This situation, conducted to a progressive contraction of the economy that finally took to a compulsory monetary devaluation at the beginning of 2002. Consequently, Argentina registered an historic drop of 10.9% in the GDP. Therefore, since 2003 it began a period of import replacement with the strengthening of internal market and a sustainable growth of its GDP, reaching a maximum of 9.2 % in 2005 and continuing positive in 2009 (0.9%), in spite of the international recession which had started the year before.



Historically, the packaging industry in Argentina had a participation of 1.5 % in GDP. If the development of the sector is considered as a whole, in general, it followed a similar evolution to the rest of the industrial activity. So, after a weak contraction in 2001-2002, it was observed a sustainable growth of the activity from 2003, reaching even in 2009 a maximum of production of almost 4 million tons of packaging material, in spite of the recent international recession.

Among the five sectors analyzed, the production is headed by glass packaging, paper/board packaging and plastic packaging (with a production of around 1 million tons each one), followed by wooden packaging and pallets (735,000 tons) and with a modest share of metal packaging (tinplate and aluminum) that barely surpasses the 100 thousand tons.

The information above was supplied by Pedro Faedo, from the Argentine Institute of Packaging, a WPO member. More information write to [biblioteca@envase.org](mailto:biblioteca@envase.org) or visit [www.packaging.com.ar](http://www.packaging.com.ar). 

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## Cover Story

### Packaging and the Soccer World Cup

South Africa is\* in the middle of FIFA World Cup Soccer mania, for sure one of the most exciting events to have taken place in the country. Flags are flying; motor vehicles are flying their favourite country/team flags, alongside many of the main roads have been mounted on specially constructed flag poles. Attending a game is awesome; the arrangements in all areas work efficiently and all the staff working at the venues is courteous and efficient.

It is difficult to accurately explain the positive atmosphere that the blowing of the vuvuzela's has made. During a match, as a corner kick the intensity of the vuvuzelas increases and adds to the excitement. Some of the WPO members have been in contact wishing each other's team's success or offering a friendly challenge.

There has been much speculation as to the impact that the World Cup will have on the South African packaging industry and it has been estimated that there could be an increase of around 15% during June and July compared to traditional sales during these winter months. Most of the sales will take place in the food and beverage sectors. Prior to the competition there did not appear to be any definite answers as to the exact extent that packaging would benefit; it will be interesting to review the success once everything is over. But there is no doubt that tourism will benefit as the today "soccer enthusiasts" will return to this beautiful country as "only tourists".

Meanwhile the games, the South African Institute of Packaging, a WPO member, is, as usual, supporting the South African packaging industry in a number of meaningful ways. An example is the Student Gold Pack Competition that is underway, with students hard at work preparing their selected Packaging Concepts.

The competition is split into three main entry categories: Packaging (for Packaging Technology Students), Design (for Graphic Design/Visual Communication students) and Food Science (for Food Science and Technology Students). The entry briefs are different in each entry category and the entry requirements also differ based on the particular discipline's level of knowledge. The Packaging Category and Food Science Category projects are judged more on technical specifications and less on the mock-up, whereas the Design Category projects are judged mainly on the mock-up presented.

This year, most of the project briefs in each entry category have been sponsored, making the packaging challenge a 'real-life' scenario and providing some relevance to the students. Past years have proven that the entries provide a wealth of ideas to sponsors.

The project briefs and all entry information, tips, discussions etc are hosted on the website [www.studentgoldpack.org.za](http://www.studentgoldpack.org.za). In addition to providing information and support via website, the National IPSA Chairman and the organiser of the Student Gold Pack Competition provide a road show lecture to all interested College and Tertiary institutions to expose them to

packaging and its benefits to modern living as well as to packaging design as an exciting career prospect. The competition will be judged in early September and the awards presented in October 2010.

*\*This article was written and sent by the South African Institute of Packaging in the middle of the Soccer World Cup, so the verb tense is in the present.*



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## WorldStar

### China Packaging Federation hosts the 2009 edition

The WorldStar Awards Ceremony, held at Beijing International Convention Centre, on June 1st, was hosted by the China Packaging Federation and 14 countries were in attendance to receive their awards. The evening comprised of the presenting of awards mixed with entertainment by dancers and musicians and was attended by over 100 guests, including winners from around the world, members of the World Packaging Organization (WPO) and representatives of the China Packaging Federation.

At the occasion, WPO presented the 3rd annual Sustainable Packaging Awards given to the best examples in this area; five winners were recognized in this category. Thomas Schneider, WPO Vice President and member through IoPP (Institute of Packaging Professional – US), presented the Gold Award to the China Mobile Communications Corporation & Huawei Technologies for the Green Packaging of Communications Equipment.

An Honorable Mention was given to Ecobiz Co. Ltd., Japan, for the EcoBiz Belt. There were also recognized: Medtronic, US, for the New Stylet Kit Package (bronze) and Life Technologies, US, for the GIBCO Bottle (silver); a second gold went to Bunge Alimentos, Brazil, for the Biodegradable Margarine Package from a Renewable Source.

During the evening WPO President, Keith Pearson presented the awards and rounded off the evening with the three prestigious President's Awards.

- **The President's Gold Award** to Sadia S.A., Brazil, for the Microwavable Packaging for Pizza.
- **The President's Silver Award** to SCA Packaging, Finland, for the Campfire 2 Go.
- **The President's Bronze Award** to Nampak Bevcan, South Africa, for the Talking Shivering Promotional Can.

To know all the winners of the 2009 edition please visit [www.worldstar.org](http://www.worldstar.org) and for further information about the WorldStar Competition contact [rachel.brooks@worldstar.org](mailto:rachel.brooks@worldstar.org).



Board Members in attendance at the Board Meeting



Keith Pearson, President



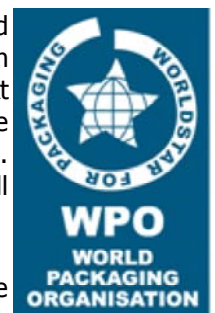
President Keith Pearson handing over the President's Gold Award to Eduardo Benino Pavanelli, Sadia SA, Brazil

## Entries are open to the 2010 edition!

The entries to the WorldStar 2010 competition are open to any packaging that has won a recognised domestic or international award related to the area in 2009 or 2010. The packaging may not have been submitted for consideration in an earlier WorldStar Program. The closing date for entries for the next edition, that will be judged in September 15th, in Istanbul, Turkey, is August 20th 2010 with the exception of entries from qualifying competitions whose results are announced after the 30th July 2010. The deadline for these entries is October 15th 2010, whereby a second judging with the same jury will take place at the end of October.

The innovation this year is the online form. To access, just go to [www.worldstar.org](http://www.worldstar.org), click in the large "ENTER NOW" box, read the instructions before proceeding to the bottom of the page where you will be able to proceed to the online entry form.

Before you register online it is strongly recommended that you type in a word document - "Why is your pack a winner" in no more than 50 words; this will be used for marketing purposes. There is also the "Why is your pack a winner", in no more than 50 words, which will be looked at by the jury. You can then copy and paste your words into the relevant sections on the online form. At the end of the online form you will be asked for your credit card details, or, alternatively you



may pay by bank transfer.

For those who register on behalf of competitions within your own country, the procedure is the same. After registering you will be sent a spreadsheet showing each entered pack and you will be able to complete with the details of the individual competitions.

The entry fee is € 650 for the first entry; the fee for additional packs is €500. For further information about the WorldStar Competition contact [rachel.brooks@worldstar.org](mailto:rachel.brooks@worldstar.org).

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## WorldStar Student 2010

### Entries are open!

The WPO WorldStar Student 2010 competition is now calling for entries. This competition is aimed to encourage the young talents from all countries of the world to develop projects in the field of packaging design. The WorldStar Student Award, with its wide publicity through WPO's world wide publications, will provide an opportunity for the winners to gain professional dignity and a good entrance to the professional life. Assigned by WPO, WorldStar Student 2010 is organized by China National Export Commodities Packaging Research Institute (CEPI).

This year's jury meeting will be held on Oct.20th in Beijing. The jury consists of three country representatives from WPO and one representative from Icograda (International Council of Graphic Design Associations), as well as three local representatives from China.

The three winners of this year's competition will be awarded at the Award Ceremony in connection with the International Packaging Design Education Forum "Join hands to promote global green packaging", which will be held on Dec. 2nd in Chengdu. Further information about WorldStar Student 2010 visit [www.cepi-china.com](http://www.cepi-china.com) / [worldstarstudent2010.htm](http://worldstarstudent2010.htm) and [www.worldpackaging.org](http://www.worldpackaging.org).

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## Special Article

### A sustainable experience in Australia

*Thomas Schneider\**



Last June, I had the pleasure of attending and speaking at a conference sponsored by the Australian Institute of Packaging (AIP, in Melbourne. WPO's presence there was appreciated and well-received specially my announcement that the Australian Institute of Packaging had been unanimously accepted to full membership at WPO. AIP is enthusiastic and ready to participate fully with other WPO members going forward as reinforced the President of the Institute, Pierre Pienaar and the Executive Officer, Nerida Kelton.

AIP's conference on packaging occurs every two years and this year it was focused primarily on two subjects: Sustainable Packaging and Design and Innovation. In his presentation, Gavin Williams, CEO of The Packaging Council of Australia, showed the challenges facing the supply chain vis-à-vis sustainability. It was one of the most thoughtful and informative presentations during the two day program and their slides can be seen at [http://aipack.com.au/Content/Attachment/Gavin\\_Williams\\_2010.pdf](http://aipack.com.au/Content/Attachment/Gavin_Williams_2010.pdf).

Likewise, the presentation by Edward Cordner, CEO of the Australian Packaging Covenant (APC), was quite informative. According to him: "The Australian Packaging Covenant is a unique, collaborative agreement between Governments and Industry based on the principles of product stewardship. It is designed to minimize the environmental impacts arising from the disposal of used packaging, conserve resources through better design and production processes and facilitate the re-use and recycling of used packaging materials." More information visit <http://www.packagingcovenant.org.au/>.

No doubts that APC is a unique attempt to define guidelines and parameters for recycling or disposal of used packaging materials (defined by some as packaging waste). The program is unique because it has provided a framework that facilitates government officials coming together with representatives across Australia's packaging community in a



collaborative way in order to address mutual goals without, for the most part, arbitrary legislative fiat.

In my opinion, it is a model for addressing Sustainable Packaging in a free-market way that can ultimately achieve practical, cost effective solutions to the important subject of sustainability in packaging. Its antithesis is the EU approach where virtually all packaging has some type of legislatively-produced rule(s) attached to it.

Much more on the Covenant is available on their website and is worth more than a look and Edward's presentation link is: [http://aipack.com.au/Content/Attachment/Edward\\_Cordner\\_2010.pdf](http://aipack.com.au/Content/Attachment/Edward_Cordner_2010.pdf).

The third presentation of note with regard to Sustainable Packaging was done by Russ Martin, Director of MS2, an Australian environmental consultancy. He focused on Extended Producer Responsibility (EPR) schemes in almost a dozen countries/states/regions. His analysis separated the successful from the not so successful programs. His collection of data regarding performance of various EPR schemes is instructive as to the viability of centralized legislative power over used packaging materials versus a more market-driven approach. In particular, he asserts, with data to support his claims, that the German 'Green Dot' and "Take it Back" programs have been relatively unsuccessful in meeting their goals. His presentation can be acquired at: [http://aipack.com.au/Content/Attachment/Russ\\_Martin\\_2010.pdf](http://aipack.com.au/Content/Attachment/Russ_Martin_2010.pdf).

In summary, WPO members should be excited about AIP's agreement to join our Organization. I believe that they are a very strong, well-organized Institute, capable of bringing a lot to WPO's objectives.

In addition, the presentations I have highlighted bring a wealth of information about the subject of Sustainable Packaging. Practical, common-sense, market-driven application of Sustainable Packaging principles is, arguably, the best approach as we drive forward the notion that society will benefit greatly by embracing sustainable systems.

By bringing together people, industry and government in a constructive, productive way, packaging is being recognized as a vital educational and practical tool. Sustainable packaging has the potential to educate the world about how a sustainable society should function.

*\*Thomas Schneider is vice President of WPO and President of Industrial & Shippers Supply.*

## The Chinese industry battling the world market



When participating in the WPO meeting June 1st in Beijing, China, I had the opportunity of, after seven years, meet a more modern country, with a more democratic speech and with larger appeal to the consumption. The experience in this capital certainly doesn't reflect the reality of the whole country, but it confirms the message that they want to transmit.

It is a potency that incorporates western values, however commanded by the government. The packaging industry is considered highly strategic and it is already the sixth more productive segment. While China is increasing 9% per year, this sector increases 20% per year and in an organized way, with a very specific focus: the world. The packaging seems more a red army.

While in Brazil we see a scenery of competition among the sectors and struggle to survive in national subjects, like the taxes for example, in China the industry works aligned and synchronized, composing the national strategy.

The Beijing International Packaging Fair consolidated the expectations presenting equipments of great conversion and printing capacity. The offered technology is good quality, however they will still take about five years to reach the European landing, especially in terms of automation.

As exposed during the International Packaging Conference, with the objective of creating an international reference of quality, the country operates with two strategies:

1. to create partnerships with developed countries - European - to receive technological contribution and to develop world reference products.
2. to infiltrate the Chinese culture in the world.

From a great industry, they want to become a strong industry. They want to build a vast platform for the packaging industry with a clear objective: innovation.

In this whole process the sustainability subject could not be left out. And to compose the environmental calendar, the focus of the sustainable development will be stepped on strongly in the search for reducing carbon emission. The market war is just beginning.

*\*Luciana Pellegrino is Vice President of WPO and Executive Director of ABRE (Brazilian Packaging Association), a WPO member.*

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