

The logo for ETPAC-SA features a stylized, three-dimensional 'M' shape composed of overlapping, semi-transparent grey bands. Below this graphic, the text 'ETPAC-SA' is written in a bold, sans-serif font.

# NEWSLETTER

## ETPAC-SA



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## THE FUTURE LOOKS BRIGHT FOR THE LOCAL METALS PACKAGING INDUSTRY

# SA'S METALS PACKAGING MARKET FEELS THE PINCH OF TOUGH ECONOMY

## Market share shrinks, but collection rates continue to grow

Local research house, BMi Research, has just released their packaging report for 2016. According to the latest available figures, the collection rate for metals packaging continues to grow year on year. An impressive 75,8 % of all metal packaging placed on the South African market was recovered during 2017, compared to 74.7 % the previous year. This positive growth is expected to continue, with a target of 78.2 % set for 2018.

Packaging Material (Tons)	2016	2017	2018e	2019f	2020f	2021f	2022f
Market Size	194 548	183 252	179 746	179 605	179 012	180 599	178 881
Volume Collected	145 338	138 939	140 531	145 181	149 223	153 481	157 274
Collection Rate%	74.7%	75.8%	78.2%	80.8%	83.4%	85.0%	87.9%

Like so many other sectors, however, the South African metals packaging industry has not escaped the effects of the country's economic slowdown. The beverage sector, in particular, was also negatively impacted by the sugar tax - contributing to a smaller slice of the pie of the local packaging market.

BMi's reports that in 2017, the metals packaging sector shrunk slightly to 183 252 tons, compared to 194 548 in 2016. It is expected that this contraction will continue for 2018 as the impact of continued lightweighting and the switch from steel to aluminium is felt. However, it is predicted that the market share share will remain fairly constant at around 197 000 tons over the next five years.

## Convenience and health shaping demand in packaged food

While keeping prices down remains a key factor in packaging in the packaged food industry in South Africa, changing consumer attitudes and lifestyles are exerting a growing influence on packaging developments.

Most prominent among these are the demand for more convenient packaging options that are compatible with the increased pace and on-the-go character of modern urban lifestyles and the growing popularity of packaging that appeals to the rise in consumer health-consciousness.



## Economic factors drive demand for smaller packs in non-alcoholic drinks

The South African non-alcoholic drinks market is seeing a notable trend towards smaller packaging - driven by economic factors, including a decline in consumer purchasing power and the introduction of the sugar tax. Even before the sugar tax came into effect in April 2018, it was already exerting a significant influence on the development of packaging in the non-alcoholic drinks industry, as soft drinks manufacturers shifted to smaller packaging in anticipation.

## Polarisation in alcoholic drinks

The alcoholic drinks market is seeing trends in packaging that reflect a notable polarisation in demand. The push by budget-conscious consumers for value-for-money products, for example, is creating a demand for larger pack sizes, such as 400ml and 500ml metal beverage cans in beer.

Challenging economic conditions are proving to be a key determinant in the development of packaging trends across product categories in the South African market, as manufacturers seek to keep costs down and consumers pay closer attention to the management of household budgets. Economic pressures are having a diverse impact across, and even within, categories, leading to growing demand for both smaller and larger pack sizes, as well as boosting the development of formats such as plastic pouches and supporting the popularity of no frills packaging.

## IN BRIEF

The Aluminium Extruders Council (AEC) has issued a revised Aluminium Extrusion Manual version 4.2 online, which includes a new section covering aluminium extrusion, sustainability, expanded information on fabrication, and a discussion of specifying microstructure as a means of achieving part performance for demanding applications. Visit [www.AECmanual.org](http://www.AECmanual.org) for more information.



# METPAC-SA WELCOMES NEW MEMBERS

MetPac-SA is excited to welcome two new members who have joined the PRO this past month:

**HALEWOOD**  
Wines & Spirits

Halewood International South Africa (Pty) Ltd was established in 1999 when Halewood International Holdings PLC (UK) purchased a small drinks company. Since its humble beginnings it has become one of the fastest growing alcohol beverage manufacturers in South Africa, with a national distribution network, and state of the art production facility.

The company currently manufactures a wide range of premium award-winning alcoholic and non-alcoholic beverages. Their product range includes Red Square Drinks, Caribbean Twist, SHAP SHAP Cider, Sidekick Cream Liqueurs, Crabbie's alcoholic and non-alcoholic ginger beers, Skinny Diva, Junky Energy Drinks as well as Whitley Neill Gin.

Recent additions include Red Square 7 times distilled 100% pure grain superior vodka (regular and flavoured), Caribbean Twist White and Superior Spiced rums, The Pogues Irish Whiskey, West Cork Irish Whiskey as well as Lambrini.

**WEST POINT**  
PROCESSORS (PTY) LTD.



West Point Processors is a pelagic fish processing factory at St. Helena Bay and home of Saldanha Pilchards. Currently the factory has the production capability of 20 tons of raw fish per hour in the cannery and 50 tons of raw fish per hour in the fish meal plant.

Major upgrades to the cannery, fishmeal plant and jetty were undertaken between 2005 and 2013. This paved the way for West Point Processors to receive the HACCP accreditation for health and quality in 2012 as well as the ISO 22000 certification in October 2013, making West Point Processors the first food processing factory in South Africa to achieve this.

The staff and surrounding community play an integral part in the operation and survival of the Saldanha Group's fishing interests. In turn, the Saldanha Group have invested back into their staff and the communities in which they live through a series of social and community initiatives

Website:  
[www.halewood.co.za](http://www.halewood.co.za)

Website:  
<http://sgh.co.za/west-point-processors>

# Institute of Packaging Professionals awards Kishan Singh CPP Designation

Kishan Singh, CEO of MetPac-SA, Global Ambassador of the World Packaging Organisation (WPO) and National Education Officer of the Institute of Packaging SA (IPSA), has become the first packaging expert in South Africa to be awarded the designation “Certified Packaging Professional” (CPP) by the international Institute of Packaging Professionals (IoPP), based in the United States of America.



## History of the CPP Designation

Since 1972, the IoPP has been awarding this designation to packaging professionals who have proven themselves to be worthy of the CPP status. To date, however, there are less than 2 500 individuals worldwide who have achieved this coveted CPP status which requires proof of years of experience, an in-depth packaging knowledge, as well as commitment to the global packaging industry. The CPP programme is now also endorsed by WPO and IPSA.

Explains Kishan: “The CPP designation has become the leading mark of excellence internationally and a must-have recognition of industry proficiency and achievement for packaging professionals. I am very pleased about attaining the CPP designation, as it is a commitment to excellence in the global packaging profession an important investment in my professional development.”

Kishan is now permitted to use the suffix “CPP” after his name on business cards and letterheads, to wear the IoPP/CPP lapel pin, and to display the CPP Certificate.

## Ensuring a globally level playing field

The CPP designation is based on current skills and expertise, and candidates are required to be re-certificated every 3 years as part of a continuous professional development system. The CPP programme ensures that candidates are regularly keeping abreast of current packaging trends, innovations and knowledge and the program ensures that packaging professionals are the same level playing field globally.

“The CPP programme helps the international packaging fraternity to better understand the level of knowledge and expertise that you truly have in the packaging field. Being awarded the designation was therefore no easy feat as the criteria that had to be met, were extremely arduous. Amongst other things, I was required to thoroughly demonstrate technical industry expertise and experience, as well as significant contribution towards education, within the global packaging industry, measured through a flexible applicant testing process,” he explains.

## Promoting the qualification locally

“South Africans wishing to pursue this international academic qualification, will need to contact the Institute of Packaging SA (IPSA) who are now the agents for the WPO endorsed CPP programme managed through the IoPP. I encourage all those that seek to make Packaging their profession, and who wish to be recognised in a vibrant and ever-changing industry to seek this internationally accepted packaging designation. It’s a tough process, but a valuable investment in your career and, through IPSA, I would be happy to offer help and advice to others who are interested in also applying for the CPP designation,” Kishan concludes.

# FROM WASTE TO WEALTH

## KISHAN SINGH REPRESENTS METPAC-SA AT MAIL & GUARDIAN CIRCULAR ECONOMY BREAKFAST SEMINAR

Kishan Singh recently represented MetPac-SA at a Mail & Guardian breakfast session, entitled: "Circular Economy: from waste to wealth - Unlocking the potential and value-adding opportunities" that took place at the Glenhove Conference Centre in Johannesburg.

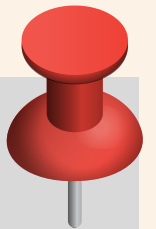
The Circular economy encourages companies to re-think how goods can be designed, produced and marketed with reuse in mind. There is huge potential in South Africa to create circular economies that generate wealth from waste. When this is achieved, it will have value for the poor and marginalised communities, who will benefit enormously from the jobs created and the businesses established from waste recycling.

The event was moderated by Michael Avery, anchor of Classic Business on Classic FM.



Other speakers who unpacked the complexities of the topic included Sally-Anne Käsner (JG Afrika), Nick Mannie (Aurecon), Claire Janisch (Biomimicry SA), Dr Linda Godfrey (CSIR), Mark Gordon (Department of Environmental Affairs), Belinda Booker (PETCO), Douw Steyn, (Plastics SA), Agripa Munyai (Tetra Pak) and Bertie Lourens (WastePlan)

## METPAC-SA ANNUAL GENERAL MEETING (AGM) 2018



All MetPac-SA members are reminded of our 1st Annual General Meeting (AGM) that will be taking place next week. Please confirm your attendance as soon as possible for catering purposes (light snacks will be served afterwards). We look forward to seeing you there!



**Date:** Thursday, 30 August 2018  
**Time:** 10h00-11H00  
**Venue:** Coca Cola Conference Room  
 3rd Floor, Coca Cola Rosebank  
 2 Glenhove Rd, Melrose Estate,  
 Johannesburg, 2196

**RSVP:** [Admin@metpacsa.org.za](mailto:Admin@metpacsa.org.za)

## RECYCLING TOPS GDA PACKAGING SUMMIT AGENDA

This year's GDA Sustainable Aluminium Packaging Summit in Dusseldorf, Germany, was attended by producers of semi-finished aluminium products for packaging applications, packaging manufacturers and clients from the food and drink and cosmetics sectors.

They agreed that the material loop comprising collection, sorting and recycling must be closed effectively to achieve the best possible resource efficiency.

The recycling rate for aluminium packaging has now reached 87 % in Germany, and is over 60 % in Europe.

The implementation of the new European Circular Economy Package has resulted in heated debate of the use of recycled material in packaging. Around 75 % of all aluminium ever produced is still in use today. Given the current high level of demand for aluminium from the widest possible range of industries worldwide, and the long service lives of many aluminium products, only about 20 % of the aluminium required can be met by using recycled material.

"Claiming that certain products have a recycled material content thus has tight physical limitations and could lead to recycled material streams being diverted in a matter that is questionable from ecological and economic points of view," said Jorg Schafer, Head of Sustainability and Recycling at GDA.



### Good to know!

Aluminium's excellent barrier properties also offer clients in the food, drink and cosmetics sectors optimal protection against product loss or deterioration. This means aluminium packaging protects more resources than are consumed during its own production. That is why GDA is also a member of the Save Food Initiative of FAO, UNEP, Messe Dusseldorf and Interpack to promote its message.

## EUROPE SEES INCREASE IN CAN PRODUCTION

Nielsen has released its latest research by the Can Makers, stating that canned drinks are seeing significant growth in the UK market. The rise of this is said to be due to carbonated soft drinks (CSDs), craft beer and flavoured cider. The latter has seen a 6% hike in cans last year, with canned craft beer growing faster than its bottled contemporary at +66% and -3% respectively.

Similarly, the UK has also reported a 2.7 % growth in canned food sales across the category.