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# KENYA EXPORT DEVELOPMENT SUPPORT



## E. C. 1992 PACKAGING SEMINAR

- The Importance of Packaging for ACP Exports to the E. C.
- The Effects on Trade of New E.C. Regulations

Development Alternatives, Inc.  
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## **E. C. 1992 PACKAGING SEMINAR**

- **The Importance of Packaging  
for ACP Exports to the E. C.**
- **The Effects on Trade of New  
E.C. Regulations**

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### Annexes

Due to the length of the technical annexes, the majority of copies of this report will not include the annexes, which are listed here for informational purposes. Complete annexes are attached to versions of the report on file at the KEDS/PEMU office and at HCDA offices and interested parties are invited to view them at either office.

Annex A	-	Seminar Program
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- **E. C. Seminar: The Importance of Packaging for ACP Exports to the E. C.**  
**The Effects on Trade of New E. C. Regulations.**
- **Emballage '92 Packaging Trade Fair**

The above Seminar was organised by the E.C. Directorate General VIII and took place in Paris 16th-18th November 1992 in conjunction with the Emballage '92 Packaging Trade Fair. Importantly, the actual Seminar Programme was changed from that announced as follows:

Day 1: "The Importance of Packaging for ACP Exports to the E.C." became "European and National Directives".

Day 2: "The Effects on Trade of New E.C. Regulations" became "The Effect of the Pack on the Competitiveness of a Product".

#### 1. Observations Arising From The Seminar

- (a) The arrival of the Single Market on 1 January 1993 is not overnight going to create an homogeneous European marketplace.
- (b) There is therefore a necessity for exporters to improve communications with customers in the individual importing countries.

This should involve close cooperation and continued contact with the client. It should use his local knowledge in identifying what may be market preferences, requirements or even dictates. And it should obviously cover consumer and packaging trends and upcoming legislation in order to avoid 'sudden' surprises.

(Another important element in this dialogue is feedback on competition across the board i.e. domestic as well as foreign. For example, the widespread promotion and resulting reputation of the New Zealand kiwi fruit have disguised the increase in French production from 4,000 tonnes in 1980 to 50,000 tonnes in 1990).

- (c) Packaging should play an increasing role in the marketing mix. The trend is moving more and more towards image-building and branded, product marketing rather than anonymous, low-profile commodity sales.
- (d) Economics and the constraints of protective packing/package for long-distance, aggressive transport have to be offset against market requirements. These market requirements may well be dictated by existing standards and/or legislation, or imposed by distribution

channels, retailers, consumer demand or simply respect for the environment.

- (e) And let there be no mistake, ecology is the order of the day. The European focus is now on "less, more and better" - less waste, more recovery and better use of scarce resources.

Environmental initiatives have already been taken by individual E.C. member states, the most radical to date being the Topfer Ordinance in Germany (see below). The E. C. Proposal for a Directive on Packaging and Packaging Waste, also dealt with below, aims to harmonize the different approaches and should constitute the common denominator for Europe in the years to come.

The implications for ACP exports are obvious.

## 2. Overall Evaluation

### Packaging Seminar

The Seminar was worthwhile and effective in a number of areas:

- in highlighting the changes in E. C. legislation and the implications of such changes - both at a Community level and in certain member states;
- in insisting on the fundamental importance of packaging (and transport packing) as a key element in the marketing and logistics of exports;
- in stressing the necessity for a product marketing approach as opposed to commodity sales when faced with sophisticated markets and increasing competition.

The relevance for participants was variable, simply because the 46 ACP countries represented did not constitute a uniform group. They are all at varying stages of development and there was thus an obvious disparity between:

- Produce exporters: at one extreme there were 'commodity suppliers' whose prime interest was more in transport packing rather than in packaging. At the other extreme, there were companies involved in consumer marketing and in promoting a 'brand' image. In addition, there were not just fruit and vegetables (F & V) but also meat and other products such as fruit juices and coffee, which at times tended to confuse the issue.

- Packaging Companies: these were from both the private and public sectors. Private companies appeared more interested (with the trade fair) in technology transfer and sub-contract possibilities across the board, rather than specifically F & V. The relevance for the parastatals tended to be limited, due to their activities in import-substitution, basic packaging.
- Government/public sector: again, the relevance depended on the country's stage of development and marketing dynamic shown by the public sector. On the one hand, one could see a keen professional interest, whilst on the other hand, there was a Third World plea for further aid, a total ignorance of the subject or simply the apathy of the civil servant.

Faced with such diversity, the Seminar was at times too rich in information. This led to a certain indigestion among participants, best illustrated by the quality of the questions posed. (See below).

Perhaps the major criticism is that there was no prior consensus among the speakers on the overall direction of the seminar. This was evidenced by the failure to arrive at recommendations in the closing session - which will hopefully be corrected in the Seminar Papers when they are published.

#### Emballage '92 Trade Fair

From an ACP point of view the trade fair was disappointing. This was echoed by a number of the delegates to the Seminar:

- It was interesting to see, but essentially a trade fair aimed at productivity, sophisticated consumer marketing, and short-haul transport. As a shop window for everything that is the latest in consumer/retail packaging, there was nevertheless an obvious and evident interest for private sector packaging companies.
- It was interesting to visit because of its importance, but overpowering in its size. The Exhibition occupied an area 90,000 m<sup>2</sup> and involved the participation of some 2,800 exhibitors, half of which were foreign companies.
- A questionnaire was completed to enable delegates to nominate their preferred companies or the types of packaging that they wished to see at the Fair. Despite this, and without any explanation, organised group visits did not

happen and everyone was effectively let loose to navigate on their own.

### 3. E.C. Packaging Seminar materials

The organisers had a welcome/registration booth in the lobby of the hotel and gave out the documentation for the seminar which is contained in the enclosed folder and consists of the following:

- (a) Seminar Introduction by Mr. Bernard Rouge, COLEACP Delegate General
- (b) Programme outline
- (c) List of Participants
- (d) List of Speakers
- (e) COLEACP brochure

Item (c): List of Participants covers 95 delegates from 43 countries. However, according to the organisers, with cancellations and last minute registrations, the attendance in fact increased to 111 delegates from 46 countries. This, along with typing errors both in names and in origins, posed problems as regards the two badges provided, one for the seminar and the other for entry to the trade fair.

Copies of the Lome Convention and the SPORE bulletin were available on entry to the seminar and these are also enclosed.

### 4. Review of Seminar Content

The lineup at the Speakers Table was:

- Nicola de Vito, E.C. Brussels
- Giovanni Patara, Seminar moderator
- The Session President
- Bernard Rouge, COLEACP
- Marc Halleux, The Tourism Partnership (seminar organiser)

The seminar was conducted both in English and French with simultaneous translation facilities.

As previously noted, there was a difference between the Programme as announced and the actual proceedings, namely:

- Day 1: "The Importance of Packaging for ACP Exports to the E.C." became "European and National Directives"
- Day 2: "The Effects on Trade of New E.C. Regulations" became "The Effect of the Pack on the Competitiveness of a Product".

The organisers did not openly announce that the full proceedings were being tape-recorded and would be published in Seminar Papers. This was to ensure that people were attentive and, according to the organisers, "to avoid mass emigration". The Papers will be available in one month's time and will be sent to each Delegate.

**Day 1      European and National Directives**

Session President: Ms. Jane Edwards, JAMPRO

·      **Packaging and the Need to Consider New Standards**

by Patrick Cornelis, EEC Expert, Belgium

-      verbal presentation

Summary:    A somewhat dry expose of the EEC approach to norms and standards: harmonize rather than impose - curious conclusion that was not clearly explained in the context of the presentation.

The EEC has been looking at coherence among the 12 member states since 1985 and harmonization was considered key as regards packaging. It was realised that it would be wishful thinking to impose this faced with the obstacles of national legislation and different standards in the member countries.

It was therefore decided to adopt a global approach, rather than industry or sector specific, with priority assigned to security, norms, standards and measures. (It should be noted that standards are not legislation.) Norms and standards are effectively the same thing: codes of practice. They are set down by organizations such as British Standards (BS) in the UK, AFNOR (Association Francaise pour la Normalization) in France, DIN in Germany. The International Wool Secretariat's "Woolmark" is also a good example of a standard. Measures should perhaps read "measurements" in the context that there is some common methodology used; presumably this refers to aspects such as metric units, testing procedures, etc.

Environmental considerations have also come into play with the shift from simple to technical packaging as a function of distribution and stockage. There is also the diversification in materials, and a focus on aspects such as reducing overall waste, reusable materials, waste treatment and reducing pollution which must be considered in the selection of packaging.

In conclusion, the Speaker said, this global approach in harmonization can be considered as an invitation to exporters to enter the E.C., but according to certain rules: they should respect standards and conform with

legislation. Ultimately, the global approach should facilitate access to the E.C. for ACP exporters.

• **How do German Fresh Fruit & Vegetable Importers Live with the Topfer Ordinance.**

by Hans Conraths, COLEACP Expert (Germany)  
- with overheads and slides - See attached,  
stapled handout: Charts 1-9

Summary:

The Topfer Ordinance in Germany, unheard of by the majority of delegates, is environmental legislation that (i) imposes the use of recoverable and recyclable packaging and (ii) effectively shifts the responsibility for recovering packaging waste away from local authorities and to the distribution trade.

(Note: This was undoubtedly the high point of the Seminar because of this solo, radical approach taken by the Germans. It was variously interpreted as a trade barrier, punitive in its application and indicative of a trend in Europe, despite the insistence (from the E.C. delegate and others) that imports would not be blocked or refused as a result, but rather subject to a financial penalty).

In Germany, the Environment budget stands at some DM 7 billion, and there are approximately 41 million tonnes of waste per annum, of which 60% is in packaging. The Topfer Ordinance (introduced 12th June 1991) is "state of the art legislation" in waste recovery in Europe.

The philosophy behind the legislation is that packaging must be of environmentally friendly materials which should be destined for recycling; and packaging waste should be avoided by reducing both its weight and volume. The value of recovered raw materials has been given priority. There is therefore a ban (at least for the moment) on landfill stations and incineration. By adopting the 'polluter-payer' principle, the Ordinance aims at changing traditional waste disposal habits by shifting the responsibility for waste recovery and elimination away from the local authorities over to the distribution trade.

As a result of this, the DSD (Duales System Deutschland) company has been created to organise a waste recovery network of private sector companies. These companies are specialised by type of material and cover both sales packaging and transport packaging. For example, the GROW organisation is specifically for wood products and

INTERSEROH is for paper and cardboard. The responsibility of each of these companies covers the collection, sorting, and subsequent supply agreements with industry manufacturers for recycling the relevant materials.

To facilitate this, 'Der Grüne Punkt' (The Green Point) has been introduced as a means of identifying packaging that is recyclable. It has already achieved a 60% usage. Germany has its 'Green Point', the UK a 'Green Dot' and France a 'Blue Point'.

*(Note: Interesting that a 'Green Point' agreement has been signed between DSD and its French equivalent, Eco-Emballage - doubtless to facilitate 'cross-border' trade).*

Following this, there has been an agreement between F & V importer/wholesaler associations and the retail trade called the 'Bonn Notice'. This agreement accepts that the retail trade can charge the equivalent of 0.6% of merchandise value to the importer for the disposal of sales packaging. While not part of the agreement, the German importer, in turn, expects his supplier "to endorse this", i.e. cover the cost. The major overseas F & V suppliers have moved to accommodate these packaging requirements, the examples cited being Outspan and Plafom (Spain).

Another example of the effects of the legislation is illustrated by Tengemann (8th biggest food retailer and biggest in fruit and vegetables in Germany) which has written to its suppliers insisting on the usage of the Green Point.

*(Note: In Germany, 8 retail groups account for 75% of food distribution).*

The Speaker pointed out that legislation of this nature is previously unheard of in Germany, and that this can be seen effectively as a German solo in the European context. It remains to be seen whether the Ordinance will be modified to be less strict in the face of implementation difficulties and in relation to less severe legislation elsewhere in the E.C.

He concluded by suggesting his 'Ten Commandments' for professional packaging and transport management when exporting to Germany. These are not in any way official but were offered as advice (see Chart No 9). From the Speaker's point of view, the 10th is the most important: "Discuss your sales packaging possibilities, including the 'Green Point' and disposal costs, with your potential import partners. They belong to the terms of trade with Germany".

**Concern of ACP Packaging Manufacturers faced with the New European Regulations**

*by Mr. Delannoy, General Manager, Plasticam (Cameroun)*

Due to the absence of Mr. Delannoy, this presentation did not take place.

**Harmonization of National Rules on Packaging within the Standards Regulations of the E.C.**

*by Laurent Jouve, Research Officer COLEACP  
- with overheads*

Summary:

*This presentation was an overview of the E.C. Commission "Proposal for a Council Directive on Packaging and Packaging Waste" (see attached copy). As of 1st January 1993 there will be free movement of goods within the E.C. with a potential contradiction arising from different national approaches. Hence, the E.C. felt there was a need for a Council Directive which would ensure protection of the environment and the necessary degree of harmonisation of national policies.*

While Europe has been interested in free exchange and free competition, it has also become increasingly concerned with ecology e.g. in 1991 there were 18 million tonnes of rubbish in France, with packaging accounting for 6 million tonnes and 50% of the total volume.

In 1990, the first country to initiate action was Belgium with 17 organisations signing a protocol to reduce waste. A convention was signed in Holland in 1991 to reduce waste by 10% in weight by the year 2000; waste would have to be recycled without point (refuse) disposal. Then came Germany with the Topfer Ordinance. In France, a Decree written in April 1992 on the elimination of packaging waste makes it obligatory to have a deposit system for packaging; join a private sector, state recognized organisation (Eco-Emballage); and organise an autonomous collection network.

As of 1st January 1993, there will be free movement of goods within the Community with a potential contradiction arising from different national approaches. Hence the need was felt in the E.C. for a Council Directive which would "ensure a high protection of the environment and the necessary degree of harmonization of national policies based on harmonized measures, a normative approach and a strict harmonization of criteria on the basis of

which national practices may be developed".

The Proposal thus covers the collection/treatment, valorization and reduction of residual waste and looks at the essential base requirements. The financial aspects are not widely covered, leaving the key question of who is going to pay: the producer on the one hand or the consumer on the other. It should be noted that this is purely a proposal and does not, as yet, constitute a legislative or regulatory instrument.

In conclusion, there are rapid changes and developments taking place in the packaging landscape. The E.C. Directive, if enacted, will effectively represent the minimum packaging requirement that will be applicable to all E.C. members. The major challenge (for ACP's) is to achieve full compliance (i.e. with each country's regulations and with the E.C. Directive should it be enacted), otherwise they will be left behind.

**Questions/Comments from Participants on the Morning Sessions:**

1) What about 120 x 100 pallets?

Answer: There are ISO (International Standards Organization) specifications applicable throughout Europe. Basically, this needs close communication with the importer/retailer.

2) Ghana: There are standardised pallets for transport, packaging, retail (120 x 80). The major problem is with airfreight (which requires the 100 x 100 pallets).

Answer: It is up to ACP countries to put pressure on the airlines to accept a more convenient pallet size.

Comments from Mr. Rouge: The E.C. Directive Proposal is a base requirement/recommendation. Individual countries are free to go further. With the example of Germany, the issue is whether the EEC will level out with the Germans, but there is hope of a possible backdown by Topfer.

3) Mauritania: Packaging must conform but also the product; this requires investment, not just for the EEC, but then Japan and the USA. Is there any possibility of EEC aid?

No specific answer.

4) Togo: "Flexibility and harmonisation" aim at honest competition i.e. the effect of norms should be not too much, not too little. Flexibility is quite simply access to the 12 EC markets.

No comment.

5) West Samoa: There is the question of access to packaging technology and the lead time.

No specific reply.

6) Fiji: What is the timeframe for the new regulations?

Answer: (Non-specific)  
These regulations also apply to European companies.

Do they cover all products or just F & V?

Answer: They cover all products.

Are there any specific regulations on inner packaging?

Answer: No, but in view of the emphasis on single material packaging, this may well involve a form of financial penalty.

7) Zambia: Comments: a) The Green Point purchase (see Conraths' handout, Chart vi) should read DM -, 0025.

b) There is a problem with mixed material packaging (e.g. outer cartons + styrofoam) because the Ordinance aims at carton packaging only, hence the retailer who has an obligation to apply packaging regulations may well dictate importer requirements.

- 8) Botswana: Comments: ACP countries are faced with myriad rules and regulations which could/might be considered as barriers to trade. These new packaging regulations impose additional intermediary costs (unpacking/ repacking). In addition, ACP's have the added obligation of ensuring long-range transport packaging.

Comments from the Session President, Ms. Diane Edwards:

- (a) People are talking of subsidies but this issue should be addressed under the respective E.C. National Indicative Programme for each country.
- (b) The regulations should not be seen as punitive (in certain cases they may be protective), but as very much consumer/ecology led and it is up to ACP countries and exporters to respect the European environment.

Comments from Mr. de Vito:

- (a) There is an EEC Convention with 5 countries, of which Botswana is included, with meat at 0%, so they are already being helped.
- (b) Essentially the Single Market (free movement of goods) could allow entry through one country to "backdoor" another and thereby circumvent the national legislation.

Day 2 The Effect of the Pack on the Competitiveness of a Product

Session President: Mr. Sebgo, SONACEB (public sector packaging company), Burkina Faso.

**The Problems of Packaging for an ACP Exporter of  
Fresh Produce: Case Study from Burkina Faso**  
by Albert Elisee Kiemde, General Manager, UCOBAM  
- verbal

Summary:

With a total reliance on imported packaging, there was pressure to create SONACEB, the state packaging company. Costs of SONACEB packaging to exporters are higher despite its proximity. Thus with a need for quality packaging, up to 50% of UCOBAM's packaging requirements are still supplied by imports.

UNCOBAM, founded in 1968, is a grouping of 30 cooperatives covering some 20,000 small producers. Their turnover is approximately US\$ 30 million (with \$ 6 million in packaging). The main produce is green beans (2,500 tonnes p.a.), followed by mangoes and potatoes (1,000 tonnes each) and around 10 tonnes of strawberries for France at Christmas.

In the past they have relied on imported packaging from Europe for an export start-up as of 15th November, but they encountered delivery delays and quality defects, the latter causing enormous problems and a hemorrhage in hard currency. Due to this over-heavy dependence, there was pressure to create SONACEB (state packaging company). This is a young activity and, while more costly than imports, has the advantage of proximity.

The marketing mix demands high quality, attractive packaging but there is a constraint imposed by resistance and treatment (in long-distance transport) such that the packaging at equivalent \$ 1.20 costs the same as 1 kg of green beans, with airfreight in addition. Added to this, there are differences in packaging requirements and harmonization e.g. France has a 5 kg Fine and a 3 kg Extra, Holland 4 kg, etc.

**Coming Trends in the Packaging of Fresh Produce**

by Michel Massot, General Manager, Ste. Van der Windt (part of the Buhrmann-Tetterode Group, Holland, No 3 in Europe in turnover).  
- overheads, samples, slides & video

Summary:

As a manufacturer of paper/cardboard and a leader in F & V packaging, this was essentially an expose on the envisaged increase in the usage of corrugated and compact cardboard. At times overly technical, the impression given was that of a PR exercise for the company.

The factors of food contact, marketing and promotion, environment, ease of assembly, hygiene and cost all have to be matched with packaging raw materials: wood, corrugated cardboard, compact cardboard and plastic.

By country, wood is currently widespread but is diminishing in favour of both types of cardboard, (corrugated being used for 'dry' produce - bananas, citrus, etc.; while compact overcomes the humidity problem). Plastic, used essentially in Germany, is "ridiculous outside a span of 200 km" because of its cost of return and its being neutral in terms of marketing impact.

The current and future usage of the different materials is envisaged as follows:

	<u>Usage By Type of Packaging Material</u>		
	<u>1990</u>	<u>1995 - 1996</u>	<u>2000</u>
Wood	70%	60%	30%
Cardboard	25%	30%	50-60%
Plastics	5%	10%	15%

Retail distribution chains have a major influence on packaging. There is a definite trend towards 5-6 key players in Europe effectively dictating packaging requirements e.g. tomatoes packed by 6 or 7 kg otherwise they won't be accepted. This trend at the retail level is very much supported by the growth in computerised stock handling, invoicing, etc.

There was then a visual presentation covering the different types of carton made out of 'double-double' corrugated cardboard and the compact '2-sheet + recycled sandwich' (700 - 1,300 g/m<sup>2</sup>) for very humid conditions. The various types of pallets were illustrated, including the '7-plank 120 x 100'; in this respect the Speaker stressed the importance of vertical rather than cross stacking on pallets since this method is stronger and better in terms of product protection.

The presentation finished with a comparison of carton assembly. Firstly, the 'classic' method for the standard '40 x 30 American', the telescopic or the precut; secondly, the mechanical machine assembly with a 30-40% raw material economy, strong marketing potential (with photographs on the cartons) and a throughput of 1,200 per hour (the machine costs \$ 143,000).

**Cooperation between Exporter and Importer when  
Perfecting Packaging**  
by Yves Gallot, General Manager, Ets. Selection,  
France  
- verbal

Summary:

*This was a short, concise presentation covering the shift from bulk produce to product differentiation through practical and attractive packaging. The example referred to was the Ivory Coast pineapple.*

Thirty years ago, fruit and vegetables were shipped in bulk, with packaging of secondary importance - the preoccupation being with actual supply rather than product presentation.

However, the shift from market scarcity to surplus brought the need to differentiate. Out of the plethora of products and consumer reactions came the need for more practical packaging from a handling and usage point of view, and more aesthetic packaging as a means of presentation to the customer.

Hence, the case in point, the Ivory Coast pineapple: the quality of the product having been achieved, the focus turned to the need for a brand and a logo to differentiate the product. The name "Miche" was chosen 'because it had a good sound' (and also the producer's name is Michel).

In conclusion, the branded product aims at continuity, both in necessary quality and also in consumer identification. A grey (banal) product has no chance of success

• **Questions/Comments from Participants on the morning sessions:**

1) Botswana: How do you cope with non-toxic regulations vis-a-vis recycling?

Answer: There is no problem with recycling itself, the problem is more with water treatment after the process.

2) Jamaica: In the video we saw cartons being watered with a hose. How is this?

Answer: These cartons have a maximum 30 micron polyethylene sheet which prevents moisture absorption.

- 3) Mr. Rouge: In the Burkina Faso example, how do pricing negotiations take place?

Answer: Non-specific. SONACEB, the state packaging company, is four years old and depreciation influences prices. Burkina Faso has an elastic border with 6 countries. There are therefore parallel imports and dumping.

- 4) Barbados: (Re. the carton manufacture) At what stage does quality control take place?

Answer: This depends on: 1. what weight of produce; 2. the logistics between shipping and arrival before actual packing; 3. post-harvest handling and under what conditions plus the type of transport used; 4. the manufacturer can then reply. "The/your major problem is a fundamental catastrophic respect in transport". There followed a minor revolt until the specific question was finally answered: quality control starts with receipt of raw materials and is continued throughout the various stages of production.

- 5) Dominican Republic: What is the maximum percentage of recycled material allowed in packaging?

Answer: 30% recycled material in corrugated cardboard and 70% in solid cardboard.

- 6) Dominican Republic: What about standardisation of cartons?

Answer: There are standard recommendations, for example, the OECD.

- 7) Kenya: As regards the growth in carton use and plastics, what are future trends?

Answer: One must distinguish the shipping from the consumer pack. In the latter case, the trend is in fact away from plastics to 100% recycled paper.

**Packaging: Critical Success Factor in Product Promotion**

by Diane Edwards, JAMPRO (Jamaica Trade Commission), Brussels

- overheads + samples

Summary:

As per Ms Edwards, this was "the dessert hour presentation", subtitled "Packaging for Promotion or Packaging: the Silent Salesman". It referred indirectly to the up-market pack, promotion and target sector approach used for Jamaican coffee in Italy. The presentation involved extensive use of overheads which explains the perfunctory style.

- The European consumer is receiving 1,500 marketing stimuli per day.
- At the recent SIAL Food Fair, 27% of innovations were in packaging.
- The tendency in fruit is to display it in the shipping box.
- We are no longer talking commodities but branded products.

The speaker then made reference to the Marketing Mix 5 P's: Product, Place, Price, Promotion and Packaging. As part of this mix, packaging adds value: surveys show that 80% of consumers prefer brands. Brands give a quality guarantee and create identity.

She then stressed the importance of the USP (Unique Selling Point) with reference to examples from Mercedes automobiles with their ABS braking; fruit juice and freshness; health products = natural; tropical fruit = exotic.

In creating a brand, the prerequisite is to establish concrete, appreciable product benefits which offer added value the consumer wants. This requires consistent quality, consistent supply and consistent promotion, for example, DOLE fruit: field fresh, ripe and ready to eat.

Consumer growth trends should be taken into consideration. Examples cited were: healthy eating; cereals (consumption is up 50% in Europe); single households; male shopping; frozen foods; convenience foods; and exotic/ethnic aspects. The Speaker recommended using the stimulating effect of packaging through the AIDA concept, namely Awareness, Interest, Desire and Action.

In conclusion, the promotion process should involve the following steps:

Start with:

Marketing Mix <===

===> Trade requirements

CONCEPT
---------

Product <===  
Brand  
Target

===> Design

**The Need for an Eco-Balance**  
by Marc Halleux, The Tourism Partnership, Belgium  
- overheads

Summary:

*This was a very short presentation on the Eco-Balance, which is defined as a detailed analysis of the environmental impact of a given product throughout its entire life cycle - "from the cradle to the tomb". It was confusing and did not appear to have any relevance to F & V.*

Examples were shown of products that exploit an ecological aspect: Silan (France) fabric softener, which has adopted recyclable packaging; Saupiquet (France) tuna fish - tuna fishing protects dolphins; Union Match (Belgium): 'Green Check', matches with no sulphur; Volkswagen (Germany) with its recent advertisement for a car with a cutaway drawing showing all the parts catalogued for recycling.

(Note: The EEC is currently studying the introduction of a 'Euro-Eco-Label' which could be introduced next year. This would distinguish environment-friendly products (much the same as with aerosols and the ozone layer). It will cover some 15 groups of consumer products ranging from washing machines to batteries. Food and drink products and pharmaceuticals are excluded.

**Questions/Comments from Participants on the morning sessions:**

- 1) Samoa: There was no reference to costing.  
Answer: Non-specific
- 2) Togo: There was an error in translation on the Union Match packet.

- Answer: Apologies on behalf of Belgium.
- 3) Mauritania: What is an Eco-Balance?
- Answer: Non-specific. (A repetition of the above).
- 4) Ghana: Ordinary cardboard is biodegradable. Plastic sheets as well?
- Answer: No
- 5) Ghana: What is the cost of packaging as part of promotion?
- Answer: In Europe, packaging may be 15% of the cost. But it is difficult to say because of the product involved.
- 6) Botswana: Is the Seminar competent or capable of intervening on behalf of ACP members to produce guidelines and technical assistance?
- Answer: Non-specific. (Note: This question is obviously an important one for ACP exporters and really addresses the crux of the seminar. The absence of a specific response leads back to the major criticism of the seminar cited on p. 2. Furthermore, the seminar sponsors did not state that the Seminar Paper would respond to this and other unanswered questions.)
- 7) Togo: We need help otherwise you refuse our exports.
- Answer: This is not the case. There may be a financial penalty, but there would not be a refusal.
- 8) Surinam: We are currently exporting our fruit to Holland in baskets where the importer sells the basket separately. Could this be developed as a handcraft in other ACP countries?
- ..... At which stage the debate disintegrated into a Lome Convention/EEC/ACP runaround and the Seminar was closed without any recommendations having been formulated.

## 5. 'Emballage '92' Trade Fair

This was the 30th International Packaging Exhibition in Paris and it occupied an area of 90,000 M/2. There were some 2,800 exhibitors, half of which were foreign companies. Over the 6 days (the fair being closed on Sunday), the expected attendance was 135,000 people.

Broken down by sector of activity, representation included: machines 55%; materials and containers 35%; and other sectors (printing, storage, etc.): 10%. A copy of the Exhibition catalogue, layout plan and sector maps by area of activity are enclosed. Since the catalogue is essentially a listing by speciality, a copy of the French journal, *Emballages magazine*, is also included to provide additional pictorial coverage of the companies and new packaging products.

A questionnaire indicating specific interests had been filled out on Registration to allow separation of the participants into four groups for guided tours of the Fair. This did not happen and no explanation was given. Delegates were thus obliged to find their own way around the exhibition. (Casual observation and discussion with a number of delegates suggest that nobody in fact bought/used the Exhibition catalogue).

The trade fair was disappointing from an ACP point of view and this was echoed by a number of the delegates to the Seminar: interesting to see, but essentially a trade fair aimed at industrial productivity, sophisticated consumer marketing, and short-haul transport. As a window onto the possibilities in consumer/retail packaging, there was an obvious interest for private sector packaging companies.

As a further example, the Consultant singled out companies specific to F & V (Packaging and Machines for Fresh Products, Section D 7640, page 815 in the catalogue). These turned out to be either 'catch-all' entries in the catalogue which were not involved in F & V, or companies producing short product-life consumer packaging or non-protective packaging such as cellophane wrapping for cauliflowers and string bags for potatoes.

Documentation from two of the major companies is enclosed:

- SOCAR: No 1 in France and 9th in Europe in paper/cardboard packaging, with sales of FF 2,655 million (around US \$ 500 million).
- Kayserberg Packaging: No 3 in France and 16th in Europe, with sales of FF 1,411 million (US \$ 266 million). There is an interesting example of transport/display packaging for Kenyan flowers in

their 'Info-Salon' newsletter (see page 7).

Overall, an in-depth tour of the fair did not reveal any new packaging technologies, but it did highlight, and to a dramatic extent, the importance now attached to the environment, with particular emphasis on recycling.

By way of background, the packaging industry in France, employing some 100,000 people and with a growth rate in sales of 2% in 1991, is broken down as follows:

French Packaging Industry - 1992		
(Source: CLIFE - see below)		
	<u>Tonnage</u>	<u>Sales</u>
• Paper/Cardboard	32%	35%
• Plastics	11%	25%
• Glass	34%	18%
• Metal	8%	15%
• Wood	15%	7%
<b>TOTAL</b>	12 million tonnes	\$ 21.4 billion

The top ten French companies in paper/cardboard packaging are as follows:

	<u>Sales</u> (FF millions)	<u>1991/1990</u> % change	<u>Employment</u>
SOCAR	2,654	0.5	2,780
OTOR	2,101	6.1	4,700
KAYSERBERG PACKAGING	1,410	2.3	1,336
PACKART	1,220	5.0	1,948
MEAD EMBALLAGE	861	10.5	519
LEMBACEL	621	-8.6	609
SCA EMBALLAGE FRANCE	544	2.4	435
PINAULT EMBALLAGE	537	N/A	1,352
SOPAL	512	-1.7	368
SOFECOM	451	5.0	975

(Source: Nouvel Economiste 5000 Leading French, European & World Companies 1992)

While there are numerous industry associations in France, useful information source is the French Packaging Industry Liaison Committee:

**CLIFE** (Comite de Liaison des Industries Francaises de L'Emballage)  
6 rue Jadin  
75017 PARIS  
Tel & Fax: (33.1) 40 53 93 91

This organization, founded in 1977, has four objectives: to promote packaging; to inform its member organizations on all areas of common interest; to ensure liaison and cooperation between member organizations; and to coordinate representation of these organizations. They actively participate in the European Packaging Standards Committee, CEN/TC 261, and act a focal point for statistical information on the industry.

There are 13 member organizations:

Chambre syndicale des emballages en matiere plastique (CSEMP) - plastics

Chambre syndicale des fabricants de sacs en papier - paper bags

Chambre syndicale des verreries mecaniques de France - glass

Federation des industries de transformation pour emballages souple (UNITES) - flexible packaging

Federation francaise du cartonnage - cardboard cartons

Groupement francais des fabricants de papiers d'emballages - wrapping papers

Institut national de l'embouteillage et des industries du conditionnement (INE) - bottling

Syndicat des films plastiques - plastic film

Syndicat francais de l'industrie des futs en acier - steel kegs

Syndicat national des fabricants de boites, emballages et bouchages metalliques - metal cans & caps

Syndicat national des industries de l'emballage leger en bois - light wood packaging

Union nationale des industries francaises utilisant le bois (UNEB) - wood

Union syndicale francaise du carton ondule (USFO) - corrugated cardboard