

'Packaging for Horticulture – A practical guide for small enterprises'

An Executive Summary

Horticulture Wales provides focused, expert support to enhance the efficiency of businesses involved in both edible and amenity horticulture supply chains within Wales. As part of this remit, the project has undertaken in-depth research into the Welsh horticulture sector's current attitudes to, and knowledge of, packaging – an issue that provides growers and producers across the industry with a number of major challenges to overcome, including meeting regulatory requirements, dealing with packaging waste in a sustainable manner, and most importantly, the generally prohibitive costs of packaging materials and technologies.

Following this investigation, Horticulture Wales has developed ['Packaging for Horticulture – A practical guide for small enterprises'](#), a toolkit to encourage businesses to make more informed decisions when choosing packaging for their produce. Containing a rundown of all the relevant packaging rules and regulations horticulture businesses must comply with, the guide also includes comprehensive links to the advice and business support currently available, plus case studies of best practice from Welsh-based businesses that are succeeding after implementing innovative packaging solutions. It also incorporates a 'Packaging Checklist' of the key questions growers should ask when choosing what type of packaging is most appropriate for their business.

Some of the key issues Horticulture Wales has identified during this process include:

- 1. Support and advice needs to be tailored towards smaller scale businesses** – small and micro-enterprises are common in the Welsh horticulture industry, and these sizes of organisation simply do not have the same capacity as larger businesses to reduce their costs by bulk-purchasing packaging. Similarly, they are unlikely to have the same levels of in-house expertise, budgets, or R&D capabilities to fully explore all available packaging technologies and materials.



2. **Cost is the most important consideration for horticulture businesses when choosing packaging (an issue that is exacerbated by significantly increased commodity prices and tax rises)** – 94% of respondents said cost was a major factor in their decisions. Mintec commodities analysis undertaken this summer found the price of all major packaging materials had increased year-on-year (apart from cartonboard and steel), with plastics such as polypropylene, LDPE, and HDPE now costing 16.6%, 21.6%, and 18.2% more respectively than the same period in 2012. Standard rates of Landfill Tax businesses are required to pay to dispose of any unrecyclable waste will also rise by £8 to £80 per tonne from next April, a rate it won't drop below until 2020 at the earliest.
3. **Horticulture businesses in Wales appear to be unaware of the packaging advice, support and guidance that is currently available to them** – not a single participant in Horticulture Wales' research had sought guidance from any of the various trade associations or government-funded business support organisations. Two-thirds of businesses went direct to packaging suppliers for advice, with another 20% conducting internet research, while a similar number (18.2%) admitted to not looking for any help at all.
4. **More needs to be done to encourage smaller horticultural businesses to work together** – just 5% of companies researched currently collaborate with others to joint-purchase packaging or share deliveries, despite the huge economies of scale such co-operative working can lead to.
5. **Businesses are aware of their environmental impact, but the majority don't yet see the potential link between sustainability and increased sales** – more than 80% of horticulture firms re-use packaging, while recycling rates are high in more than half. However, only 35% of businesses are deliberately using packaging to attract customers. The Nielsen Global Survey of Consumer Shopping Behaviour (June 2013) revealed UK shoppers are three times more likely to choose environmentally-friendly products than they were in 2011, despite the challenging economic climate – more effort needs to be made to highlight the opportunities on offer for businesses that use environmentally-friendly packaging to capitalise by marketing these sustainable choices with 'ethical' consumers.

