

FEVE President Intervention

Draft Speech Notes – EXPO event

Thursday 28<sup>th</sup> May 2015

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*Good evening ladies and gentlemen.*

*Thank you, Michael, for this kind introduction.*

I'm very glad to be here tonight and to welcome you to EXPO Milano 2015, and I'm proud to be representing the European container glass industry at this wonderful event under the aegis of Expo Milano. I feel it is totally appropriate that we should be meeting here, in Italy, the cradle of glass production.

*First and foremost, I would like to thank Assovetro;*

*The President, **Dr. Massimo Noviello**, and Secretary General, **Giorgio De Giovanni**, for having created this exceptional stand with the collaboration of Italian member companies and the support of FEVE.*

In a somewhat provocative fashion, I would like to begin my remarks with the following proposition: the glass industry is not just another manufacturing sector. Let me explain: in many ways, glass as a material has always been at the crossroad between tradition and modernity, fashion and utilitarianism, art and industry. This is an incredibly contrasted combination of properties, most unusual and maybe only found in the textile industry. Yet, textile manufacturing has unfortunately largely departed from Europe, while we are still here, still strongly represented!

Carrying and upholding the heritage of glass does come with some challenges: since glass is ubiquitous, because it has been with all of us since our childhood and sits within our daily reach, it can be easy to overlook.

Well, let me be clear about one important point: not only is glass clearly here to stay, but it is more relevant and promising than ever. Why? Because:

- in a time of increasingly scarce natural resources and high environmental pressures, glass is an infinitely recyclable material. The recycling of glass bottles and jars in a closed loop is already in place in most of the EU countries, and has been for the last 40 years. Today, in Europe, 7 out of 10 produced glass bottles and jars are collected and recycled into new ones – indeed Europe enjoys the highest glass recycling rates in the world <sup>1</sup>.
- in a time of overconsumption and growing health concerns, glass provides as a tested solution to help prevent the wastage of food and medicines.
- at a time where the search for convenience seems to wrestle with the consumer's emerging environmental consciousness, glass is an object of constant innovation to bring lighter, more robust, better designed and more energy efficient products on the market.
- Last but not least, in a world in which unemployment, especially youth unemployment, keeps imposing itself a major challenge in our Western societies, glass does continue to create skilled employment opportunities in our regions. The European Container Glass industry directly employs around **50,000 people in 155 plants**, producing over **50 billion glass packaging products** for food and beverages, perfumery, cosmetics and pharmacy, without forgetting the EU glass tableware industry manufacturing sector distributed throughout the EU. The

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<sup>1</sup> Source : FEVE glass recycling statistics available on the [www.feve.org](http://www.feve.org)

industry contributes almost €1 billion per year to public finances and €9.5 billion to the EU annual GDP<sup>2</sup>.

As you can see, the glass industry is certainly very active and vibrant – in particular in Italy; the Italian industry is represented within this stand, and it is fair to say, it is one of the major producing countries of container glass and glass tableware.

Italy is the cradle of glass production and it is the country with the largest number of manufacturing plants within the EU – boasting some 43 plants, 19 national companies and more than 8,000 direct employees. Some 11 billion bottles and jars such as for wine, beer, marmalade and many other products that you use every day are produced yearly (or almost 5 million tons) – all contributing extensively to the overall economy<sup>3</sup>.

Perhaps within this enumeration you will have guessed the reason why we decided it was important for our industry to be represented at this world event. A central question underpinning the vision of the Milan Universal Exposition 2015 is *“is it possible to ensure sufficient, good, healthy and sustainable food for all mankind?”*

As an industry, we do not feel it would be our place to address "sufficient"; but we might have something useful to contribute to the dialogue around the notions of "good", "healthy" and "sustainable". Here are some of our credentials and ideas on this:

- Glass best preserves the taste and quality of food and drinks: glass packaging does not interact with its contents, and therefore it does not influence the taste at all. Its strong barrier function protects your drinks and food from any external influence. You can store your wine bottle next to the washing powder and still not risk that your wine will taste like recently washed shirts. We know that also consumers believe in this advantage: A European survey from 2014 shows that taste

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<sup>2</sup> Source : Ernst & Young Study on *Environmental, social and economic contribution of the container glass sector in Europe* – available on [www.feve.org](http://www.feve.org)

<sup>3</sup> Source : Assovetro

preservation is the second most important driver for consumers to choose glass – following glass being perceived as safe for consumers' health<sup>4</sup>.

- Glass is the safest packaging choice for consumers: Glass is made out of 100% natural elements, i.e. sand, soda ash and limestone. Since its first days (more than 5000 years ago) the ingredients of glass have not changed. It doesn't contain any harmful chemicals – and thanks to glass' inertness, it does not interact with its contents. It is highly impermeable, making it the safest and purest packaging material for food and drinks. No wonder that laboratories and the pharmaceutical industry use glass as a reference material for lab tests, and to preserve their products, avoiding the risk of chemical or biological contamination.
- Glass is sustainable: One pressing objective is to enable the switch from a linear economy model to a circular one where resources are efficiently used, where waste is prevented or - if generated - at least used as a precious resource for a new production loop. In the past 15 years, the EU consumption of products packaged in glass increased by 39%, and glass recycling increased by a whopping 139%<sup>5</sup>. We have made significant strides in reducing our virgin materials use while producing more. So – importantly – we are doing much more with much less. Our industry is dedicated to innovating and improving our practices and products continuously through, (for example) right-weighting where we have taken 30% of the weight out of our glass bottles over the last 20 years, whilst guaranteeing the same durability and even greater packaging appeal.

We believe in a sustainable future, investing yearly over €610 million in improving our production processes. Over the past 50 years, our industry has reduced its energy consumption by 80%.

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<sup>4</sup> Source: InSites Consumer Survey carried out in 2010 – See <http://news.friendsofglass.com>

<sup>5</sup> Source : FEVE – see <http://www.feve.org/SEC-FEVE-2015/SEC-FEVE-2015.html>

In order to ensure a sustainable life for our children, we need to seriously reconsider the way in which we source, produce and consume goods.

The path towards a healthy, safe and sustainable quality of life passes also by the right choice of packaging. According to a European-wide consumer survey carried out last year, health concerns play a key role in consumer decision making. This is driving consumer demand for food or beverages packaged in glass; indeed amongst consumers who choose glass, 61% trust it as the safest packaging for their health. This is 13% more compared to our survey in 2010 <sup>6</sup>. And it is no surprise that the most valuable goods from perfume over high quality food and drinks to vital medication can only be preserved in glass as it does not interact with its contents.

Glass offers more than its benefits for health and environment; Glass is premium and the packaging itself helps make any celebration feel extra-special. Celebrating with a glass bottle of champagne? Cheering with glasses? These are all elements one can witness when celebrating special moments or occasions with friends or family.

We think that the longevity of our experience as an industry can act as a guarantee that the solutions we bring are future proof and, again, more relevant to the world than ever. We want our core product to be the sustainable packaging solution for the 21st century. The container glass industry is operating at the forefront of many of the essential debates underlying the core themes of Expo Milano. We look forward to continuing the discussions and the collaboration with value chain partners, customers, consumers and policymakers in the years to come.

Thank you.

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<sup>6</sup> Source: InSites Consumer Survey carried out in 2010 – See <http://news.friendsofglass.com>