

RE: Environment and Climate Change Canada (ECCC) *A proposed integrated management approach to plastic products to prevent waste and pollution DISCUSSION PAPER*

TO: Director of the Plastics and Marine Litter Division of ECCC ec.plastiques-plastics.ec@canada.ca

The Canadian Produce Marketing Association and its members welcome the opportunity to provide comments in regard to the Environment and Climate Change Canada <u>Discussion paper on a Proposed Integrated Management Approach to</u> <u>Plastic Products to Prevent Waste and Pollution</u>.

About the CPMA

CPMA is a 95-year-old not-for-profit trade association representing member companies growing, packing, shipping and selling fresh fruit and vegetables in Canada. In a sector supporting roughly 249,000 jobs across Canada, our members are responsible for 90% of fresh produce purchased by Canadians. This submission reflects a complex supply chain that works tirelessly to provide fresh fruit and vegetable across Canada.

The CPMA Plastics Packaging Working Group was established in May 2019 to begin the process of identifying a path forward to address the use of plastics within the produce sector, identify efforts already undertaken by industry and determine best practices and develop an industry-supported roadmap to maintaining food quality and safety while reducing the environmental impact of plastics. Phase one of the work focused on data collection to frame the situation within our sector. This research included consumer perception reviews, landscape review (industry practices, regulatory requirements and efforts around the globe), and industry consultations focused on product design, single use plastics and collection systems. More recently the Working Group has helped inform the creation of the *CPMA Preferred Plastics Guide* (Spring 2020) and the *CPMA Packaging Material Selection Guide* (Fall 2020), with other such information products being considered for 2021 to help CPMA members make well informed packaging decisions.

In addition, it has been noted in the Canadian Strategy on Zero Plastics that "Achieving the vision of a circular economy for plastics will require that actions be taken in many areas, in some cases to enhance current performance, and in others, to transform and adopt new practices and behaviours." CPMA, with the support of our members and allied partners, hopes to advance efforts within our sector to ensure we have a vision based on sound science and business best practices that allows the opportunity for the produce industry to identify, prioritize and implement systems-wide changes.

CPMA Comments in regard to the ECCC Discussion Paper: A proposed integrated management approach to plastic products to prevent waste and pollution (Answers to the specific questions posed by ECCC follow this response.)

General Comments

The CPMA and its members are generally supportive of the principles outlined in the proposed integrated management approach outlined in the Discussion Document. Given the critical role of plastics packaging in transporting produce from the field to the consumer's table, some additional comments are provided below in regard to select elements outlined in the Discussion Document.

Science Assessment & Toxicity

- The discussion paper is inconclusive in regard to the science assessment and the evidence of toxicity of plastics in general. Statements such as "macroplastics is not expected to be of concern for human health" are made, implying that toxicity is not conclusive, whereas the proposal to include "Plastics Manufactured Items" under Schedule 1 of CEPA implies that plastics are toxic, given that CEPA Schedule 1 addresses substances that have been demonstrated as being toxic.
- There appears to be two specific concerns with respect to toxicity under consideration: the intrinsic toxicity of a resin, and the toxicity of macro and micro-plastics which are not resin-specific. This creates the option to put forward regulations in response to the toxicity of a resin or the toxicity of a resin-agnostic manufactured item.
- In the case of the CPMA, packaging decisions are made on the basis of chemical (e.g., food grade) and physical properties (e.g., necessary rigidity, barrier properties, etc.). As such, both resin and resin-agnostic considerations play a critical role in selecting packages. The current science assessment statements introduce considerable regulatory ambiguity which could hinder effective decision making towards more sustainable packaging options (which hinge on the critical interplay between resin and non-resin considerations being taken into account).
- The government states that although "full scientific certainty" is lacking, the precautionary principle is being argued as sufficient to go forward with identifying plastics as "toxic" under the auspices of CEPA. An overarching approach not grounded in scientific evidence confirming the toxicity of plastics increases the likelihood that product restrictions or bans may have unintended negative consequences and not result in the desired environmental impacts desired.
- The risk could be mitigated if the government ensures that consultation and regulatory impact assessments are integral to any subsequent regulatory instrument proposed under the integrated management approach.

Integrated Management Approach

- The integrated management approach is generally sound as it seeks to implement a principles-based approach to managing plastics waste. The principles outlined are aligned with common best practices of reduced use where possible, increased reuse, enhanced recycling, and strengthening domestic-end use markets for recycled plastics. Many, if not all, of these principles already drive CPMA members' efforts to reduce the environmental footprint of produce packaging.
- The approach also makes reference to key instruments such as performance standards and end-of-life responsibility which are considered in all produce packaging decisions.
- The CPMA is reassured by the statement that all future regulatory instruments will be subject to consultation, including a Regulatory Impact Analysis Statement (RIAS). This is critical to identify any unintended consequences and mitigate risks that arise from restrictions that are not driven by evidence of toxicity or other measurable impacts on human health or the environment.
- Stakeholder consultation and issuance of a RIAS will be especially important in ensuring that any proposed restrictions or regulations do not have adverse or unintended consequences on the produce sector and

consumers, notably with respect to ensuring that the industry can continue to meet the necessary food safety standards, avoid an unintentional increase in food waste or loss in transit, reduce or prevent access to select produce categories from Canada or around the world, or adversely impact consumers due to significant packaging cost increases or ease of packaging use (e.g. for elderly or disabled Canadians).

Circularity

- The CPMA strongly supports the government's desire to support the growth of new and innovative technologies that further the goals of environmental protection and the transition to a circular economy.
- The future of produce packaging includes a desire to develop and utilize packaging with increasing levels of recycled content.

Establishing Performance Standards, including PCR Content

- The CPMA supports the government's recognition that recyclers need certainty that there will be buyers for the
 plastic they recycle to secure investments, and reinforce the value that product performance standards for
 plastic products and packaging can contribute to generating a sufficient, stable and predictable supply of
 materials in order to support viable secondary plastics markets and investments in the recovery infrastructure in
 Canada.
- CPMA applauds the government's efforts to recognize the importance of recycled content requirements to drive demand for these markets.
- The CPMA recommends that the government take a measured approach to ensure that any recycled content requirements are achievable (e.g. %PCR content available at sufficient volume and quality to meet commercial demand). Furthermore, it is critical to ensure that the physical properties, performance characteristics and affordability of packaging (and by extension the underlying resin) are not compromised or unachievable by setting overly aggressive or arbitrarily elevated recycled content requirements.
- The Government of Canada's target of at least 50% recycled content in plastic products by 2030 is predicated on the availability of:
 - 1. Sufficient quantity and quality of recycled content materials,
 - 2. Existence of available manufacturing capacity and capability to produce recycled-content resins at the desired %PCR requirements,
 - 3. The availability of packaging manufacturing facilities that can utilize recycled-content resins at the %PCR content required,
 - 4. Commercial demand for recycled-content packaging at the market price point,
 - 5. Consumer demand and acceptance (e.g. any price impacts) of recycled-content packaging,
 - 6. Elevated and predictable levels of recycling recovery of packaging after use, and
 - 7. Effective infrastructure and supporting activities which ensures redirection of recycled packaging that become recycled content which returns to Step 1 above, making the process circular in nature.
- Currently, a number of resins are leading candidates to achieve the elevated %PCR requirements outlined, although no resin has been yet identified that could achieve a 50% recycled content without compromising the physical and chemical properties in comparison to the virgin resin. As such, it is expected that significant investments in new process development and related technologies would be required to meet a whole of market target of 50% recycled content by 2030. Although this challenge is not unique to the produce sector, it is a notable risk factor for produce packaging if the industry's ability to meet food-related packaging requirements are compromised by incompatible recycled content requirements. Incompatible recycled content requirements risk eroding packaging performance which could lead to increases in food waste, while not necessarily leading to reductions in environmental impact, as would be the case for packaging with mixed-material construction

(i.e., recycled content mixed construction packaging would not be readily recyclable due to the mixed-material nature of the packaging design).

- Although the Government of Canada is proposing regulations using CEPA to require recycled content in plastic products and packaging, the effectiveness of any such regulations will hinge on how effectively they account for the current state of the plastics manufacturing ecosystem and the feasibility of migrating to a new state of that system, with risks to consider including:
 - a minimum percentage of recycled content: targets must account for what is feasible and affordable (as outlined above)
 - rules for measuring and reporting: these must be developed in cooperation with industry, particularly those who already have experience in addressing and validating key metrics such as:
 - definitions of recycled content
 - method of tracking chain-of-custody
 - flexibility that accounts for various and diverse products across a company's product line
 - technical guidelines and related tools such as standards, specifications and terminologies which will play a critical part in establishing the necessary foundation for industry-wide adoption and implementation of changes that produce the desired environmental outcomes.
- CPMA encourages the government to continue to recognize that the establishment of recycled content requirements can be achieved by one of several means, notably: **resin**: establish recycled content targets and requirements by resin type; **product or sector grouping**: establish recycled content targets and requirements by product category (for example, rigid containers, film packaging) or sector (for example, packaging, electronics); or **economy-wide**: establish an economy-wide recycled content target/requirements for plastic products without differentiating between sectors, products or resin types. This is especially the case for the produce industry which relies on a small number of key packaging form factors and resins to ensure produce can be effectively shipped, stored and delivered to the consumer with minimal food waste, all the while maintaining the quality of the produce.
- Practically, **economy-wide** cannot be achieved due to the near endless diversity in resin types and product groupings. Achievable solutions are those that will ensure economies of scale are maintained while delivering reliable and consistent resin with recycled content that can be used in current large-volume applications as well as used in new alternatives to problematic plastic products (i.e. those who currently have no readily available replacement).

Ensuring End-of-life Responsibility

- The CPMA acknowledges that developing consistent, national targets, standards and regulations will assist companies that manufacture plastic products or sell items with plastic packaging to be more effective in helping increase the collection and recycling.
- In developing national guidance to facilitate consistent, comprehensive and transparent extended producer responsibility policies for plastics, the Government must also recognize the key role played by consumers and end users. As such, the CPMA recommends that the Government consider how the proposed activities will not only encourage and increase industry engagement, but also help drive the consumer behaviour that maximizes the recovery of plastic waste into recycling and circular streams such as, but not limited to:
 - o common material categories and product definitions
 - o performance standards to guide reuse and recycling programs
 - o options to encourage innovation and reduce costs
 - o standard monitoring and verification approaches
- Given a large percentage of produce trade is international in nature, a large portion of produce packaging traverses borders. As such, international standards, guidelines and trade considerations are especially important

to ensure that any changes to Canadian packaging requirements do not adversely impact the importation of foreign produce in the winter season or the export of Canadian produce during growing season.

Additional Resources for Consideration

The following resources may be of interest as the Government of Canada formalizes its approach to plastics pollution:

- CPMA Plastics Roadmap (<u>https://www.cpma.ca/docs/default-</u> source/corporate/2019/CPMA Plastics Packaging Roadmap (Complete_Roadmap).pdf
- CPMA Preferred Plastics Guide (<u>https://www.cpma.ca/docs/default-</u> source/industry/2020/CPMA_Preferred_Plastics_Guide_English.pdf)
- *CPMA Packaging Material Selection Guide* Fall 2020 (available upon request as this produce is currently a CPMA member-only information product)
- Responses to select questions provided by ECCC (see Annex)
- The CPMA Working Group Members Survey (November 2020) provides insights from CPMA members in regards to plastics packaging and related considerations outlined in the Government's proposed integrated management approach (copy of survey attached).

In closing, the CPMA strongly encourages the Government of Canada to establish industry-government roundtables representing key industry sectors who depend on plastics packaging to ensure that government is fully informed of all industries' leading considerations as it identifies, develops and deploys regulatory instruments. In regards to the produce and food sector, the CPMA's Plastic Packaging Working Group has been active in this area since early 2019 and is one of Canada's leading industry groups eager to share insights and provide the necessary guidance to the Government of Canada.

On behalf of its members, the CPMA thanks you for the opportunity to provide comments in regard to the Environment and Climate Change Canada Discussion paper on a *Proposed Integrated Management Approach to Plastic Products to Prevent Waste and Pollution*.

Please advise if you have any questions in regard to these comments.

Regards,

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Ron Lemaire President, CPMA

RESPONSE TO SELECT QUESTIONS OF RELEVANCE TO THE CPMA

Managing single-use plastics

Government Questions

1. Are there any other sources of data or other evidence that could help inform the development of the regulations to ban or restrict certain harmful single-use plastics?

2. Would banning or restricting any of the six single-use plastics identified impact the health or safety of any communities or segments of Canadian society?

3. How can the Government best reflect the needs of people with disabilities in its actions to ban or restrict certain harmful single-use plastics?

4. Should innovative or nonconventional plastics, such as compostable, bio-based or biodegradable plastics be exempted from a ban or a restriction on certain harmful single-use plastics? If so, what should be considered in developing an exemption that maintains the objectives of environmental protection and fostering a circular economy for plastics?

CPMA Response

Due to importance and reliance on trade, there is an imperative for the GoC to monitor and identify emerging international standards which will have direct and indirect impact on the effectiveness of packaging-related initiatives in Canada. Two categories of standards should be considered: 1. international packaging standards in key markets (e.g., EU), and 2. Domestic and international food safety standards which will define packaging requirements (e.g., food grade requirements, etc.).

The CPMA has no comments on this question as its focus is on produce packaging which the six single-use plastics list does not contain.

The CPMA encourages that any packaging restrictions consider the implications for people with disabilities or others for whom convenience provided through packaging designs and form factors should be considered. Promoting the use of eco-designs which also account for the requirements for convenience and ease of use for elderly or people with disabilities should be seen as compatible goals.

Innovative or non-conventional plastics should not be considered exempt simply because of their innovative or non-conventional nature. It is recommended that as is the case with plastics-based packaging, evidencebased assessments should be applied to determine the potential impacts of the new materials on the overall environmental footprint. The lack of a fair and equitable approach to assessing packaging materials risk leading to the adoption of packaging options which in the long term may reveal themselves to being equal to or worse than current options.

The government should consider the benefits of developing and applying a principles-based packaging labelling to help businesses and ultimately consumers make the most optimal decision with respect to packaging options.

Establishing performance standards

5. What minimum percentage of recycled content in plastic products

The CPMA encourages incremental targets be set to achieve increasing levels in %PCR content, thereby ensuring that the targets are achievable and do not adversely impact the affordability of the

would make a meaningful impact on secondary (recycled resin) markets?	packaging options and/or result in unintended changes in the physical or chemical properties of the packaging as a result of unrealistic %PCR targets.
	Furthermore, the CPMA promotes the setting of %PCR targets that create the conditions for the long-term establishment and adoption of a plastics-based circular economy.
6. For which resins, products, and/or sectors would minimum recycled content requirements make the greatest positive impact on secondary (recycled resin) markets? Why?	In 2020, the CPMA released the <i>CPMA Preferred Plastics Guide</i> (<u>https://www.cpma.ca/docs/default-</u> <u>source/industry/2020/CPMA_Preferred_Plastics_Guide_English.pdf</u>) in which the wide range of packaging resins were identified. This included identification of a subset of resins which were deemed "preferred" based on a survey of members, as well as evaluation of international best practices. The Government of Canada is encouraged to consider the list of "preferred" resins in the above reference given they include materials which are more readily recycled and lend themselves to incorporation into recycled- content resins which could be converted into packaging.
7. Which resins, products or sectors are best-placed to increase the use of recycled plastic and why?	As above, please reference the <i>CPMA Preferred Plastics Guide</i> and <i>CPMA Packaging Material Selection Guide</i> for a listing of resins best suited to increase the use of recycled plastics.
	As for products, the produce industry is well suited to advance the adoption of recycled-content packaging given the importance of select packaging form factors such as clam-shells and top-seal designs which rely exclusively on highly recycled resins (i.e., PET).
8. Which plastic products are not suitable for using recycled content due to health, safety, regulatory, technical or other concerns?	The CPMA wishes to highlight that although produce packaging is well positioned to increase the use of recycled content resin, it must do so while continuing to abide by food packaging standards. Although the desire for increased recycled-content and the need to meet food safety standards are not mutually exclusive, they do require a purposeful approach which ensures that both outcomes are achieved. As such, food packaging is a leading use case which may help guide other sectors and products increase their use of recycled content resins while not compromising other sector- specific requirements.
9. What should be considered in developing timelines for minimum recycled content requirements in different products?	As stated above, pragmatic and timely increases in %PCR targets (e.g., achievable, maintain affordability, maintain and ensure packaging quality, validated by the supply chain) must be the basis of any campaign. These will depend in part on the resin in question as well as the application/form factors that are under consideration. Based on a recent CPMA survey, any substantive and effective change in packaging can only occur over a 24 month period.

10. What would be the advantages and disadvantages to setting minimum percentage requirements that are distinct for each product grouping, sector, and/or resin?

Advantages: mitigates risk that resins are all treated equally (which they are not) and avoid circumstances where market or consumer confusion arises due to the successful adoption for some resins occurring alongside the failure of others. Resin-specific requirements also permit for the full accounting of production and manufacturing capabilities (both volume and quality) for each select resin.

Disadvantages: a %PCR requirement across the board cannot be implemented given the production, use and post-use realities of each distinct resin.

11. How could compliance with minimum recycled content requirements be verified? How can the Government and industry take advantage of innovative technologies or business practices to improve accuracy of verification while minimizing the administrative burden on companies?

12. Besides minimum recycled content requirements, what additional actions by the government could incentivize the use of recycled content in plastic products? Similar approaches that currently ensure that packaging meets food safety standards and other physical or chemical requirements are well suited to be applied to ensure that compliance with minimum recycled content requirements are met. As such, it is strongly recommended that any such compliance requirements be addressed through existing product compliance frameworks.

Many additional actions by government are available to incentivize the use of recycled content in plastic, including consignment, labelling standards, and other similar tools. The CPMA survey of members in November 2020 revealed that a number of instruments are applicable and relevant, their effectiveness continues to be assessed as part of the CPMA working group's activities going into 2021. The CPMA survey results are included in this submission for reference.

Ensuring end-of-life responsibility

13. How can the Government of Canada best support provinces and territories in making their extended producer responsibility policies consistent, comprehensive, and transparent? The CPMA strongly encourages the Government of Canada to promote the use of common standards, best practices, and consumer and industry education at a national level to create a harmonized approach to increasing recycled-content and reduce the impact on the environment.

For impactful change to occur, the Government of Canada must take both a leadership role, as well as a coordinating role, in providing mechanisms to support consistency across the country. Without formalized national coordination to support provincial and territorial implementation, Canada's success in these efforts may be hindered.