

March 4, 2022

Tracey Spack
Director, Plastics Regulatory Affairs Division
Environment and Climate Change Canada
351 Saint-Joseph Blvd.
Gatineau, Québec, K1A 0H3
ec.plastiques-plastics.ec@canada.ca

Re: APRA Response to the Proposed Single – Use Plastics Prohibition Regulations

Dear Ms. Spack,

I am writing to you today on behalf of the members of the Alberta Plastics Recycling Association (APRA). We have operated for 30 years and focus on facilitating plastics recycling and the diversion of plastics from landfill. Our members include participants in the full plastics value chain including resin manufacturers, companies involved in manufacturing plastic products as well as processors and recyclers of plastics. The Association and its members and partners are committed to finding solutions to manage and recycle plastics, to keep them in the economy and out of the environment. We appreciate the opportunity to respond to the Government of Canada's proposed *Single-Use Plastics Prohibition Regulations*, published on December 25th, 2021.

We share the Federal Government's objectives to create a circular economy for plastics and to divert plastics from landfills. We remain committed to working with governments to implement an innovative and forward-looking plan to create a circular economy for plastics through improved product design, enhanced recovery systems, and augmented end-markets for post-consumer plastics.

The plastics sector in Canada has a key concentrated presence in Ontario, Québec, Alberta and British Columbia. The size of the plastics product manufacturing sectors in Ontario, Québec and Alberta, are \$14.8 billion, \$6.7 billion, and \$1.4 billion industries, respectively. All of these provinces are prioritizing growth in chemistry and plastics as part of an economic recovery agenda.

The Federal Government is creating confusion to the market and investors by banning plastic (a provincial jurisdiction), while at the same time provincial governments across Canada are moving to establish Extended Producer Responsibility (EPR). In Alberta, we support the Government of Alberta's movement toward EPR policy to advance a circular economy. The Alberta Government, through the *Natural Gas Vision and Strategy* – is focused on becoming the western centre of excellence for plastics recycling. This strategy aims to establish a plastics circular economy in the Province. EPR policy in Alberta will help provide a functional and economic boost to recycling in the province.

Our members who collect and process plastic know first-hand the difficulty in dealing with challenges such as sorting plastic while maintaining quality materials and finding competitive markets for recycled content, though EPR has proven successful to create markets and economies of scale for plastics in jurisdictions like BC. The Smart Prosperity Institute's report on plastics circularity was released in 2019 and identifies the following outcomes of EPR: the RecycleBC Packaging and paper products (PPP) program induced \$20 million in capital investments in the recycling of PPP (a significant portion of which is plastic

recycling related), expanded the types of plastics collected, and lowered contamination of collected materials, while concurrently insulating both producers and BC municipalities from commodity risks posed by the closure of Asian secondary plastics markets.¹ While we understand challenges will not be eliminated with EPR, there is a good precedence for helping manage recyclable products such as plastic bags, expanded polystyrene (EPS) and black plastic. We are aware of existing markets for these materials and we have members who accept and recycle these products today though without EPR in place, the costs for municipalities and businesses to move these materials to markets can be prohibitive to recycling.

Environment and Climate Change Canada's (ECCC) own *Economic Study of the Canadian Plastic Industry, Markets and Waste (2019)* recognizes that effective reduction of plastic waste requires diversion from landfills. To do so requires investment in establishing a circular economy through modern recycling infrastructure, advanced recycling technologies and other management systems capturing the value of post-consumer plastics as a resource, not a waste. Our members are investing in advanced recycling technologies and committing to be part of the full lifecycle of plastics management. Banning plastic directly impacts the business case for resourcing and investing in recycling infrastructure as it potentially impacts feedstock for those facilities.

Three industry examples of new investment include:

- NOVA Chemicals' joint [development with Enerkem](#) on advanced recycling, and
- Merlin Plastics [partnership with NOVA Chemicals](#) to increase the availability of high-quality recycled materials for incorporation into new products, and
- Dow's global commitment to divert one [million metric tonnes of plastic waste out of the environment](#).

In Alberta, APRA and partners recently have advanced several projects to better manage plastics and their wastes including:

- The implementation of *Operation Clean Sweep*® with Alberta companies, to keep plastic pellets and flake out of the environment;
- A three year, \$1M Alberta-wide agricultural plastics recycling pilot project for grain bags and twine;
- The *Plastics Data Gathering Pilot Project* in the Edmonton region to characterize and quantify plastic waste by industry and institutions and identify opportunities to advance a circular economy in the region - partly funded over two years by Environment and Climate Change Canada's *Zero Plastic Waste Initiative*; and,
- A founding participant in the *Plastics Alliance of Alberta*, a multi-stakeholder collaboration committed to providing policy recommendations for the Government of Alberta's *Natural Gas Strategy* and advancing a circular economy for plastics in the province.

APRA remains highly concerned with the proposed regulation as it does not support a circular economy for plastics nor provide effective measures in Canada to prevent leakage into the environment. Moreover, the proposed approach will have negative consequences on Canada's economic recovery and industry's growth prospects to advance towards a circular economy for plastics. Industry remains committed to working with Governments to introduce solutions that leverage private sector innovations and economic opportunities in alignment with environmental goals aimed at achieving a circular economy for plastics¹.

¹ <https://institute.smartprosperity.ca/sites/default/files/report-circulareconomy-february14-final.pdf>

APRA shares the following comments in agreement with the submission made by our colleagues at the Chemistry Industry Association of Canada (CIAC) including:

APRA applauds the Government of Canada's commitment to achieving a circular economy for plastics through its goal of zero plastics waste by 2030 and to keep plastics in the economy and out of the environment. However, the approach proposed in the single-use plastics prohibition regulations runs counter to this goal and by its nature perpetuates linear economy thinking. In a circular economy mindset, there is no "single-use" plastics since all plastics are recovered and recirculated in the economy through mechanical or advanced recycling.

The premise of the proposed single-use prohibitions was based on the supposition that the six identified items were both environmentally problematic, and recovery problematic. The basis of the recovery problematic assessment did not adequately take into account all the provincial and territorial extended producer responsibility (EPR) programs under development, or those already in place, which will require these items to be recycled. In other instances, examples of existing commercial recovery of those single-use plastic items deemed "recovery problematic" were overlooked.

Rather than implementing bans, the government should be promoting the expansion of recycling and recovery, the integration and development of end-markets, and investments in infrastructure and projects. Canada's infrastructure capacity for recycling is severely lacking with outdated recycling technologies and insufficient infrastructure to address ever-increasing demand. The lost opportunity cost of plastic material not being recovered in Canada is \$7.8 billion and this is estimated to rise to \$11.1 billion by 2030.²

The implementation of other regulations that would address recovery challenges was ignored or misrepresented throughout the RIAS. While there was a recognition that many existing provincial extended producer responsibility (EPR) programs include single-use plastics (SUP), the RIAS concluded the prohibitions would be positive for provincial EPR programs. This demonstrates a fundamental lack of understanding of EPR programs. Under EPR programs, not only do producers take on post-use management for the products they supply to the market, but it also provides those same producers with the opportunity to recover the value retained in the post-use product through recycling or re-use. By removing certain single-use plastic items from EPR programs producers are required to find substitutes that in many cases do not have the value recovery proposition plastics do. In these instances, the substitutes become a pure system cost or end up in landfills because they are not readily recyclable. This is not a positive for the province or the producer, counter to the position stated in the RIAS.

Through EPR, provinces are already demonstrating leadership in addressing an area under their responsibility³, given that waste management is a provincial jurisdiction. Provinces are putting in place EPR programs to ensure that plastics are continuously recycled and re-circulated in the economy and do not end up in landfills or as litter in the environment. EPR programs require that Producers meet recycling targets thereby ensuring that value-recovery is derived from plastics.

²Deloitte. (2019). Economic study of the Canadian plastic industry, markets, and waste. Government of Canada, Environment and Climate Change Canada.

³ With EPR already in place in British Columbia - and Alberta, Ontario, and Québec fully committed to rolling out EPR programs in phases - approximately 85% of the Canadian population will soon have harmonized scaled-up recycling programs in place that are fully managed and paid for by industry. Other provinces and territories (e.g., Nova Scotia, New Brunswick, and Yukon) have also publicly indicated intent to implement EPR programs.

Thus, the concept of a single-use item will disappear as value will be recovered from all plastic items, while still maintaining the convenience, health and safety of plastic items. Federal intrusion in this area is unnecessary and counter to both provincial EPR programs and industry solutions for managing post-use plastics.

The Federal Government should not ban items specified for inclusion in provincial Extended Producer Responsibility programs ('blue box' programs) and where clear provincial action and industry solutions are being implemented for post-use management of plastic items.

The Government should not ban products that are re-usable or recyclable and where processes, materials, and technologies are in place that move us towards the goal of a circular economy (e.g., black plastics, aerobic and anaerobic compostable plastic products, polystyrene items, items made with recycled content, plastics film bags, bags of a certain thickness that lead to increased re-use, items that can be recycled through advanced recycling technologies). These examples demonstrate that they do not meet the Government's test of 'value-recovery problematic' and thus should not be prohibited.

Expand the scope and revise the assumptions in the business impacts and cost benefit analysis to allow for the inclusion of job losses, tax losses and regional impacts of the regulation.

CONCLUSION

APRA appreciates the opportunity to provide comments on the proposed *Single-Use Plastics Prohibition Regulations*. We remain committed to ongoing consultation and collaboration as we move towards more effective management of post-use plastics in Canada.

We are committed to working with governments to develop innovative and progressive pathways towards a circular economy through improved product design, enhanced recovery systems, and augmented end-markets for post-consumer plastics. The result will be continuous and efficient re-circulation of resources in the economy, and the elimination of plastic waste.

Sincerely,

Wendy Wright
President
Alberta Plastics Recycling Association
wendy@albertaplasticsrecycling.com
+1-403-750-2743

c.c. Stacey Schaub-Szabo, Executive Director, APRA, stacey@albertaplasticsrecycling.com; Kevin Kernaghan, Secretary/Treasurer, APRA, kevin@polycycle.ca