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Environment and Climate Change Canada
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Re: APRA Response to: Consultation paper: Towards Canada-wide rules to strengthen recycling and composting of plastics through accurate labelling

Dear Ms. Spack,

I am writing to you today on behalf of the members of the Alberta Plastics Recycling Association (APRA). APRA is a not-for-profit association that has operated for 31 years, with a focus on the facilitation of sustainable 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. APRA and its members and partners are committed to finding solutions to manage and recycle plastics and to realize the value of the circular economy and keep plastics out of the environment.

Thank you for providing the opportunity for APRA to respond to the consultation paper: **Towards Canada-wide rules to strengthen recycling and composting of plastics through accurate labelling**.

APRA supports many of the comments from our colleagues at the *Chemical Industry Association of Canada (CIAC)* in their response to the consultation. Below we provide comments on areas of relevance to our members' expertise.

Beyond the specific regulations, APRA requests rationale for the recyclability labelling regime falling under the Canadian Environmental Protection Act, 1999 (CEPA). It is understood that the Competition Bureau is the corresponding government organization that should govern labelling.

Infrastructure and policy

Recommendation 1: Government should explore investment and infrastructure opportunities with industry as well as ensure all proposed policies across levels of government are not contradictory to overall goals to advance a plastics circular economy.

APRA finds that much of the language in the consultation document frames proposed labelling regulations as a solution to plastic waste challenges in Canada. While there are opportunities to improve product design and increase recyclability via government labelling regulations, there remains a significant gap in recycling rates across Canada. This gap is due to underinvestment in modern sortation, mechanical

recycling infrastructure, and the absence of mechanisms to help industry scale-up and commercialize proven advanced recycling technologies that address the range of products that cannot be effectively managed by mechanical recycling. Similarly, investment in infrastructure to manage compostable plastics is also needed to manage the transition to full circularity. As industry begins to take ownership of collection and recycling via Extended Producer Responsibility (EPR) programs, government should primarily focus on investments and infrastructure to reach shared goals of plastics circularity.

APRA members as recyclers and processors have provided feedback that policy alignment amongst all levels of government is critical. Like producers of packaging, recyclers and processors are dealing with a patchwork of legislation across the provinces and while they are regulated to recycle certain plastics through EPR policies (i.e. film and packaging) and ramping up infrastructure to take it – they are also dealing with bans that will see decreases in items like film coming into the production and thus recycling stream. This interference harms business and advancements in technology. These policies are an example of how we need to better align policies and not create policies that are at odds with one another.

Consumers

Recommendation 2: Labelling should help consumers participate in recycling systems and build on the years of work already done to educate and engage public participation in recycling programs.

APRA believes that labelling should help inform consumers and avoid confusing them. Chasing arrow symbols are purely for the public to understand where their materials should go for recycling or waste management options. Once in the system, from the plastics processors' perspective - the symbols are not used. Lasers and sorting technology scans the plastic or lab tests determine the characteristics of the plastic as labels could be incorrect. If any work is to be done, the government should take more responsibility to regulate the use of the chasing arrows symbol from imports and enforce that companies follow national labelling guidelines. Labelling helps consumers to understand that the plastics are recyclable. In processing the plastic, labelling can also help less sophisticated recyclers, or depot collection sites to do an initial sort of the material.

Inconsistencies and End Markets

Recommendation 3: Define clearly what ECCC intends as an outcome of the regulations, measurement definitions and clarify what the 80 per cent is in reference to. It is critical to focus on the entire plastics value chain including broader global plastics markets.

We have noted inconsistencies with the mention of the 80 per cent requirement within the document. The executive summary states that an item must be “accepted in a recycling system accessible to 80 per cent of the population in one or more of five regions across Canada”, however section four of the consultation states that items would need to be “accepted in 80 per cent of recycling facilities in Canada”. Just because an item is collected at 80 per cent of facilities doesn't mean it is recycled. Work needs to be done to develop end markets and support fair market pricing for recycled post-consumer plastics, so those plastics are competitive enough to re-enter the marketplace.

ECCC should also carefully consider which parts of the plastic value chain the labelling requirements will apply to and standardize the units of measurement. For example, resin manufacturers typically report in pounds while product manufacturers report in units (i.e. units of shampoo bottles produced) and recyclers often report in tonnes. If the public is to have a clear understanding of how much plastic is being captured and recycled, then the industry needs to align for reporting or have a tested and accurate way to convert the data in ways that are measurable and clear.

A primary focus of regulation should be to support existing businesses and help expand and build end markets. Without end markets for plastics, it doesn't matter if the material is recyclable or what labels are placed on the products. However, with that said, APRA does not support the criteria for recyclability claims that require reliable end markets for plastic products. Reliable end markets are not an indication of a product's recyclability as positive market value for an item does not dictate whether it can be recycled. Many variable externalities impact PCR pricing including the price of virgin resin and number of competing companies in the space. Prior to investment, companies ensure they have access to end markets that are sufficient to meet their project's requirements. A labelling regulation should not intrude on a company's business decisions, which are supported by their own detailed risk analyses.

The consultation document also requires that end markets be situated in North America as it can be difficult to determine whether plastics exported to another continent are successfully recycled. While we support this in theory, this criterion disregards the reality that recycling is a global industry, with many companies working in jurisdictions around the world. Requiring proof of end markets in North America may hinder responsible and efficient recycling practices for Canadian companies. Ultimately, global markets should be left to determine where the most efficient recycling facilities will be situated for market and business decisions.

APRA also feels that ECCC should make the regulations clear on what the penalties are for non-compliance. There should be an education, enforcement, and oversight role to ensure that all companies are held to account. APRA members are concerned that if there are no clear penalties for non-compliance then it will be difficult to enlist all companies' participation and create a standardized labelling system across the country.

Compostable Plastics

Recommendation 4: Review and consider a variety of aspects of compostable packaging from labelling to end-of-life management.

APRA's plastic processing and recycling members find compostable plastics problematic in recycling operations. Compostable plastics cause issues in processing with petroleum-based plastics and there are very few processing facilities that accept compostable plastics across the country. An Éco Entreprises Québec study also found that plastics can contaminate the compost stream and there is not a strong demand for the compost derived from compostable plastics as, 'packaging that is truly compostable does not harm but does not add value to compost'¹.

¹ https://www.eeq.ca/wp-content/uploads/EEQ_Rapport_EmbComp_Ang_FFF.pdf

With regards to the compostability labelling at large, APRA is supportive of reviewing claims of compostability, to ensure Canadians have the correct information to make informed decisions and contribute towards efficient plastics composting streams. With such issues in processing the material, there is a need for stringent labelling on compostable materials and to educate consumers about post-use management and requirements to help identify and separate compostable plastics from traditional petroleum-based plastics streams. For example, they could be required to be one color to identify the material as compostable. Again, this points to the need for resources, investment and advancement in infrastructure for compostable plastic processing.

Conclusion

APRA and its members and partners are committed to finding solutions to manage and recycle plastics and working to realize the value of the circular economy and keep plastics out of the environment. Gaps in recyclability today should be addressed via industry/government partnerships that facilitate investment in infrastructure to improve recycling rates across Canada. By working together to increase the total *amount* of plastic recycled, rather than just increasing the *percentage* of plastic that gets recycled, Canada will reach its goals of a low carbon circular economy much sooner.

Thank you for the opportunity to share this response. We remain committed to ongoing collaboration as we work to build a sustainable future for plastics, and we would be happy to meet with you to continue the discussion.

Sincerely,



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