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Re: Discussion on a Proposed Integrated Management Approach to Plastic Products to Prevent Waste and Pollution

To Whom It May Concern:

The Ontario Environmental Industry Association (ONEIA) is pleased to provide feedback on Environment and Climate Change Canada's (ECCC) "Discussion on a Proposed Integrated Management Approach to Plastic Products to Prevent Waste and Pollution." ONEIA is encouraged by the thoughtful approach and the ambitious targets and we look forward to seeing ECCC accomplish some of the goals as quickly as possible. In some areas, however, we will offer some practical advice and hope to see these concerns addressed before your approach is finalized.

About ONEIA

ONEIA is the business association representing the interests of the environment industry in Ontario. Our network of thousands of contacts includes key environmental technology, product and service companies, law, investment and insurance firms, institutes, universities, and governments.

At ONEIA, our main focus is to support the work of these organizations. From our humble beginnings in 1991, we have grown into an effective and respected industry association that works every day to advance the interests of our members. In our meetings with provincial and federal policymakers, we advocate for policies based on sound science, a sound environment, and a sound economy.

ONEIA's Resource Recovery Committee

ONEIA member companies that work in the waste services area can play a pivotal role in increasing the diversion of materials by collecting and processing these materials in an environmentally responsible manner and returning them to productive economic use. ONEIA has long advocated for a truly joint process whereby governments set the policy outcomes they want and then collaboratively engage with industry and other stakeholders to determine the best way to achieve these outcomes. It is important to note that ONEIA does not believe in "silver bullet" or "one size fits all" approaches. What works in other one province, territory or region may not be efficient or effective in others.

ONEIA strongly recommends that all levels of government engage with private waste services companies to ensure that they are part of the policy discussions among other pertinent stakeholders along the materials chain of custody to discuss the key challenges and

opportunities to increase waste diversion and facilitate resource recovery in both the municipal and industrial, commercial, and institutional (ICI) sectors. Toward this effort, ONEIA recommends the following components for an enhanced national waste diversion strategy:

- Any waste diversion strategy must include all stakeholders involved in the chain of custody of materials and include representatives from private waste services companies involved in collection and post-collection activities.
- Any discussion of the structure or restructuring of waste diversion and management policies and regulations should:
 - be outcomes-based;
 - provide economic incentives to encourage investment;
 - promote collaboration and interaction through open and competitive markets; and,
 - be flexible to encourage continuous improvement and innovation through the support and development of innovative technologies.
- Any form of public policy that requires the participation of private waste service providers must recognize that designing and implementing any incentives must be done in a manner that promotes the sustained viability of the markets they affect. Not doing so could reduce and/or eliminate competition and lead to higher prices, less product choice, lower service, and less innovation, thereby becoming a burden on businesses and taxpayers. ONEIA would strongly recommend that ECCC consider the comments of the Federal Competition Bureau when contemplating waste diversion regulations for the ICI as well as the municipal sector.
- Producers (including brand owners and first importers) must be fiscally responsible for the management of their products and packaging at their end-of-life. However, we do not recommend that producer responsibility programs currently in place for municipal diversion programs be introduced into the ICI sector as these programs would likely exacerbate the current situation.
- ONEIA members are supportive of harmonizing provincial and national standards, definitions, and performance standards to ensure that claims of recyclability and compostability are verifiable and to ensure local markets are not dealing with materials that they cannot process.
- Any targeted action on reducing plastic and other products and packaging (including bans, fees, or recycled content requirements) must undergo a science-based life-cycle analysis (which includes economic factors) before approval and implementation so as not to cause unintended economic and environmental consequences.
- We would encourage all levels of government to explore procurement programs that would stimulate “end markets” for recycled materials.
- ONEIA recommends that the federal government commit to ensuring that any new initiatives designed to improve materials diversion maintain an open and competitive market and improve regulatory certainty. ONEIA believes these actions will create a public policy environment that will encourage end markets for plastics as well as other materials and address disconnects along the materials chain of custody.

ONEIA’s General Comments on the Discussion Paper

Plastic pollution is an urgent problem

ONEIA member organizations firmly agree that plastic pollution in the natural environment is entirely unacceptable and requires bold, creative and immediate action. While Canadian shorelines might not be choking on plastic to the extent of other parts of the world, Canadian waste has been exported to developing countries for many years, where it is possible that it

may impact those local natural environments. Although waste management and recycling infrastructure is strong within Canada, we know that Canadians must be held responsible to take action upstream so that our waste does not become another country's problem.

Strengths of the Discussion Paper

ONEIA agrees with the key challenges identified in the paper, particularly with the order in which they are listed. We agree that one of the largest obstacles to moving more plastic into the circular economy is the very low price of virgin plastic available to the market today. We are happy to see a focus on increasing the strength of domestic plastic recycling operations. We think a focus on improving Expanded Producer Responsibility (EPR) programs at the municipal level will create a strong base for the holistic management of plastic waste generated in Canada.

Concern over "Toxic" Designation

ONEIA understands the difficult position that ECCC is in when trying to develop regulations regarding management of plastic waste, as waste management regulations typically fall under provincial jurisdiction. We know that a designation of "toxic" under the Canadian Environmental Protection Act (CEPA) has allowed for swift, necessary action to restrict environmentally damaging materials, such as plastic micro-beads used in personal care products. However, we have concerns about using this designation to label the very broad category of "plastic manufactured items." We are worried about a future where plastic recyclers, material recovery facility operators, compost facilities, anaerobic digestion facilities, and municipal landfill operators would have to manage everyday plastic items as though they were as dangerous as mercury or formaldehyde. We understand that this is not the intention of the proposal, but ONEIA would like to see this concern addressed. If handling plastics becomes too cumbersome, we fear that this designation could lead to less plastic getting recycled or illegal dumping.

Feedback on items proposed to be banned

ONEIA is pleased to see the extensive science-based review that went into deciding which items would be banned. We have some specific concerns for a few of the items being considered:

Plastic checkout bags: Plastic checkout bags are a ubiquitous, damaging form of litter in the natural environment. We would like to highlight the possibility for exceptions associated with this ban. Some plastic bag bans only apply to certain types of retail stores or allow for the sale of reusable plastic film bags. Should exemptions be made and some plastic checkout bags continue to be used in Canada, it is strongly recommended that all remaining plastic checkout bags be designed for reusability and contain at least 40% post-consumer recycled (PCR) content. This would mirror existing legislation in California ([SB 270](#)) and proposed legislation in New Jersey ([SB 2515](#)).

Six-pack rings: Low density polyethylene (LDPE) film rings are not readily recycled today and are a symbolic form of damaging plastic waste. While these are the most common form of six-pack rings, there are new formats that ECCC may want to consider exempting from this ban. Rigid high-density polyethylene (HDPE) plastic six-pack rings are becoming more popular, and they are made of 100% post-consumer recycled resin. This is an important domestic end market for HDPE plastic recycled through Blue Box programs.

Food packaging and service ware from problematic plastics: This is a vague category, which is subject to many different interpretations, and requires careful analysis. We have seen “black plastics” listed as one item to be potentially banned. While it is true that black plastics cannot be sorted automatically at material recovery facilities (MRFs) using optical sorters, it is important to note that black plastics can be sorted by hand at MRFs, a practice that is common in Canadian facilities. When black plastics go to a plastic recycler, the colour of the plastic does not limit its recyclability. Further, black plastic items provide an important potential outlet for post-consumer recycled content. The darker the plastic item, the easier and cheaper it is to include higher percentage levels of recycled content.

Stir sticks, cutlery, straws: We agree these plastic items should be banned as they are rarely recovered through traditional MRFs due to their small size.

Establish performance standards

ONEIA is in strong agreement about the importance of setting recycled content requirements for plastic manufactured items. This is extremely important as recyclers are currently competing with the low cost of virgin resin. ONEIA is also supportive of other “pull” mechanisms for the use of recycling plastics such as waxes and fuels that are drop-in replacements for fossil fuel generated products.

When considering the approach to recycled content requirements, we recommend using product or sector groupings. ECCC should select a set of specific products and establish specific percentages for each application. Some products could handle a requirement of 100% Post-Consumer Resin (PCR) within a year while others may need a few years to get to a level of 5%. These percentages should increase with time, and they should be based on availability and scalability of supply and demand markets.

Requiring recycled content by resin type or economy-wide is not useful and will not successfully drive an increase in use of PCR.

Measuring/reporting recycled content

ONEIA recommends collaboration with existing industry partners when measuring and certifying recycled content. It is important to the MRFs and plastic recyclers that they do not have to comply with multiple certification pathways to prove their use of PCR. Currently, most plastic recyclers that are complying with legislation in the United States follow the [Association of Plastic Recyclers \(APR\) PCR Certification Program](#). APR’s program provides a set of standards for third-party certifiers to reference when evaluating whether a plastic is truly PCR, as opposed to post-industrial resin. ONEIA recommends that plastic is tracked for individual items. It is not necessary to use a mass balance approach. For plastic, it is important for recycled content requirements to reflect the PCR in an individual product, not an average across a company’s product line.

Questions for discussion

Please find below answers to questions that are relevant to ONEIA members.

Managing single-use plastics

4. Should innovative or non-conventional 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?

ONEIA members own and operate composting and anaerobic digestion facilities that would ultimately receive and process materials that are not made from traditional plastics. While we understand that there is increasing public interest in compostable products, we do not agree with these products being exempt from any type of single use plastic legislation. We are concerned that replacing traditional plastics with compostable, bio-based, or biodegradable labelling will not reduce plastic pollution and will contaminate existing recycling and/or organic waste processing systems.

In the absence of any type of standardizations across Canada, the development of products that claim to be compostable or biodegradable is an unregulated space that causes operational constraints for compost and anaerobic digestion facilities. We believe that allowing or encouraging these materials as an alternative to single use items is premature at this time and ONEIA requests further consultation with ECCC if the government decides to move in this direction.

ONEIA members have built a relationship with the Compost Manufacturing Alliance (CMA), a US-based organization that has developed a scientifically accurate and collaborative industry approach to field test and certify compostable products. Given the interdependency of these types of consumer products crossing the Canada-US border, we often find products in Canada that meet these certification requirements. It would be logical for ECCC to adopt the CMA or similar process as a best management practice for all compostable packaging produced and consumed within Canada prior to exempting these products from any type of legislation. In the past, ONEIA has also engaged with the Standards Council of Canada on the difference in processing technologies for composting and anaerobic digestion, and the need to distinguish between compostability and digestibility of these products. The food products manufacturing industry is currently using standards that do not match the operating conditions of the organic waste processing industry across North America.

Several regions around the world have adopted prescribed labelling and colour coding for certified compostable products. This provides clarity to consumers (i.e. only brown packaging is compostable) and reduces potential for contamination.

The primary objective of the green bin program is to divert and recover food and organic waste through composting and anaerobic digestion. The robust system that exists within the province was not designed to manage most types of compostable packaging, other than paper-based ones. While the system has some tolerance to handle some forms of certified compostable items, such as food waste collection bags, it could easily become overwhelmed with these products. Therefore, ECCC should emphasize “reduction” and avoid the use of these products over the recycling option.

Establishing performance standards

5. What minimum percentage of recycled content in plastic products would make a meaningful impact on secondary (recycled resin) markets?

A minimum percentage of recycled content should be required at specific levels for specific applications. See chart below in response to question 7.

6. For which resins, products, and/or sectors would minimum recycled content requirements make the greatest positive impact on secondary (recycled resin) markets? Why?

Clear-coloured polyethylene terephthalate (PET), HDPE and LDPE recycled plastic have relatively strong end markets that are beginning to decouple from the price of virgin plastic. This progress should be encouraged and monitored, but more active intervention is needed for coloured plastics.

Coloured polyethylene (PE) film collected through curbside collection programs is particularly threatened by the low price of virgin PE. It is difficult and costly to sort film in MRFs as the bales are very contaminated, which causes limited domestic end-markets for this material. Until the Chinese import ban began in 2018, the vast majority of the film collected in North America was exported. In order for domestic end markets to fill this void, recycled content requirements are needed in applications like garbage bags and grocery bags to help recyclers compete with virgin pricing.

Coloured rigid HDPE and polypropylene (PP) also directly compete with virgin pricing. The volatility is very burdensome for MRFs and plastic recyclers in Canada. See a few common applications accustomed to using PCR below for rigid HDPE and PP.

7. Which resins, products or sectors are best-placed to increase the use of recycled plastic and why?

Applications Suitable for a Minimum PCR Mandate by 2021:

PP (#5) – 20% PCR Min.	HDPE (#2) – 25% PCR Min.	LDPE (#4) – 10% PCR Min.
Recycling, garbage, compost bins & totes	Corrugated pipes	Garbage bags
Storage shelving & bins	Drainage tile	Grocery bags
Until the recent decline in virgin resin pricing, these products were made using up to 100% PCR content for the last 10 years. A 20% minimum would be easily achievable in a very short timeline.	ASTM has recently approved the use of up to 100% HDPE in corrugated piping. Until the recent decline in virgin resin pricing, piping and drainage tile were made using up to 70% PCR content for the last 10 years. We propose a minimum of 25% PCR in these applications.	More than 40 organizations have joined the Recycle More Bags Coalition , advocating for legislation to require the use of PCR in garbage bags and grocery bags. California legislation (SB270) currently requires 40% PCR in all grocery bags sold in the state. A 10% minimum is a very conservative place to start.

9. What should be considered in developing timelines for minimum recycled content requirements in different products?

It is very important to consult with MRFs, plastic recyclers, plastic converters and brands when deciding on specific percentages and timelines. Some minimum levels could be achieved nearly overnight, while others would require years of lead time to ensure processing capacity is economically viable.

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

When considering the approach to recycled content requirements, we recommend using product or sector groupings. ECCC should select a set of specific products and establish specific percentages for each application. Some products could handle a requirement of 100% PCR within a year; while other products might need a few years to get to 5% PCR. These percentages should increase with time, and they should be based on availability and scalability of supply and demand markets.

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

We recommend requiring third party certification that meets the Association of Plastic Recyclers Post-Consumer Resin Certification Program:

<https://plasticsrecycling.org/pcr-certification/certified-pcr>

12. Besides minimum recycled content requirements, what additional actions by the government could incentivize the use of recycled content in plastic products?

ONEIA recommends looking at tax incentives such as the UK's proposed [plastic packaging tax](#). This is a new tax that applies to plastic packaging produced in, or imported into, the UK that does not contain at least 30% recycled plastic. Plastic packaging is packaging that is predominantly plastic by weight.

We appreciate the opportunity to provide our comments and welcome any additional opportunities to discuss our ideas further. Please contact our office at info@oneia.ca or at (416) 531-7884 should you have any questions.

Yours truly,

A handwritten signature in black ink that reads "Alex Gill". The signature is written in a cursive, flowing style.

Alex Gill
Executive Director