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Comments on Improving the Federal Plastics Registry

PRESENTATION TO ENVIRONMENT AND CLIMATE CHANGE CANADA



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RE: Oceana Canada's response to the <u>notice of intent to issue a notice under section 46 of the</u> <u>Canadian Environmental Protection Act</u> with respect to reporting of certain plastic products for 2024, 2025 and 2026 in Canada Gazette, Part I, Volume 157, Number 52: Government Notices.

In support of the Government of Canada's goal of achieving zero plastic waste by 2030, Oceana Canada offers the following recommendations to strengthen the proposed Federal Plastics Registry. The need for high-resolution and transparent data on plastics in the Canadian market is imperative to diminishing plastic waste and measuring the success of reduction initiatives. Oceana Canada recommends improvements to the Registry that eliminate blind spots along the plastic supply chain and provide transparent, accurate and truthful data on the end-of-life disposal of plastics. In developing these recommendations, we have considered confidential, proprietary information plastic producers may need to retain, as well as cohesion between existing data reporting requirements on plastic already established through extended producer responsibility (EPR) systems or international agreements. Further, the recommendations below must not alter the proposed timelines set out in the proposed Registry.

To maximize transparency in tracking and measuring plastics in the Canadian market, Oceana Canada recommends the following improvements to the Registry:

- 1. Capture all plastics involved in the industrial, commercial and institutional (ICI) sector.
- 2. Capture all plastic packaging in business-to-business (B2B) shipping.
- 3. Clarify where reporting responsibility transfers from Producer to Retailer or producer responsibility organizations (PRO).
- 4. Specify cement kilns as a discrete category of diverted plastics that are sent for final disposal.
- 5. Specify plastic products and plastic packaging sent for destruction versus resale or reuse.
- 6. Require import and export data on plastics moving through Canada.
- 7. Capture all primary plastic resin production.
- 8. Capture chemicals of concern during plastics production.

These recommendations are critical because data on plastics in Canada are limited; however, there is some information on the flow of total plastics produced, exported and imported in Canada.¹ Other data are contradictory and there are known inefficiencies in plastic waste management including conflicting provincial reporting of high recycling and waste collection

¹ Deloitte & Cheminfo Services Inc. 2019. "Economic study of the Canadian plastic industry, markets and waste. Environment and Climate Change Canada."

rates,^{2,3} that outperform the national mechanical recycling rate of eight per cent.⁴ Further, the simple and dated data currently made public on plastic production levels⁵ lack clarity on the origin of plastics, their distribution on the Canadian market and their end of life. Oceana Canada's recommendations will help the government in creating a comprehensive Registry that is in step with global trends.

Lastly, the negotiations to develop an international legally binding instrument on plastic pollution, including in the marine environment, convened by the United Nations include substantive matters on member states developing public registries to track the flow of plastics across the full life cycle.⁶ Establishing a comprehensive Registry that accounts for all options presented in the draft text of the legally binding instrument ahead of ratification better prepares Canadian plastics operations and streamlines compliance.

Oceana Canada's Recommendations:

1: CAPTURE PLASTICS INVOLVED IN THE ICI SECTOR

Currently, ICI plastic waste goes unreported in many EPR systems across Canada and is absent from the proposed Federal Plastics Registry. Transparent data on ICI's contribution to Canada's plastic waste is needed. Oceana Canada's 2023 report, <u>Breaking the Plastic Cycle</u>, highlighted that Canada's plastic waste crisis is not limited to residential waste. Of Canada's total population, 50 per cent are employees, meaning half of Canada's population contributes to ICI waste, including plastics in addition to residential waste.⁷ Both residential and ICI plastic must be reported under the Registry across the full life cycle.

2: CAPTURE PLASTIC PACKAGING IN B2B SHIPPING

Pallet wrap associated with B2B shipping is one the leading contributors to plastic waste in Canada, accounting for over 116,000 tonnes per year and growing.⁸ In the proposed Registry, hundreds of thousands of tonnes of B2B plastics are absent, although it does a good job of requiring the capture of business-to-customer (B2C) plastic products. To create a comprehensive Registry, this critical B2B data must be added for pallet wrap and other forms of B2B plastic packaging. "Flexible-pallet wrap" specifically must be added as a subcategory under Schedule 1, Part 3, Category 1(2) Single-use packaging, to accurately capture this large contributor to plastic waste generation, akin to categories such as rigid-beverage container and flexible-food contact. A comprehensive National Plastics Registry includes B2B and B2C plastics.

² Recycling Council of Alberta. 2022-2023. "2022-2023 RCA Annual Report."

³ 2022. Recycle BC. "<u>Recycle BC 2022 Annual Report</u>."

⁴ Deloitte & Cheminfo Services Inc. 2019. "Economic study of the Canadian plastic industry, markets and waste. Environment and Climate Change Canada."

⁵ Statistics Canada. <u>Pilot physical flow account for plastic material, by product category</u>.

⁶ 2023. United Nations Environment Programme. "<u>UNEP/PP/INC.4/3: Revised draft text of the international legally</u> binding instrument on plastic pollution, including in the marine environment."

⁷ 2023. Oceana Canada. "<u>Breaking the Plastic Cycle: A Policy Roadmap to Eliminate One-Third of Canada's Plastic</u> <u>Packaging Waste</u>."

⁸ 2023. Oceana Canada. "<u>Breaking the Plastic Cycle: A Policy Roadmap to Eliminate One-Third of Canada's Plastic</u> <u>Packaging Waste</u>."

3: CLARIFY WHERE REPORTING RESPONSIBILITY TRANSFERS FROM PRODUCER TO RETAILER OR PROS

The Registry must clarify when new reporting responsibilities are initiated to receive the highest quality and trusted data on plastics in the market. While Producers are defined within the proposed Registry, the guidelines for when reporting responsibly ends and begins along the plastic life cycle are vague. As plastic products transfer hands, enhanced knowledge of their use and diversion methods shifts from person to person. For example, in Alberta, a plastic product may be manufactured and sold to a retailer in the province. Production data are best captured by the Producer, but sales and distribution are best captured by the Retailer. That plastic product will enter the waste stream where it may be managed by a PRO or waste sorting facility. Diversion methods and composition of plastic waste data are likely to be more accurate when reported from the PRO or waste sorting facility under EPR systems versus some end-of-life operations like incineration facilities or landfill. These responsibilities for reporting over the full life cycle should fall to the Producer, should they sell plastic products to a province without EPR systems or export them to another country. The Registry must be able to accurately capture plastic data across its full life cycle, leveraging persons with the best knowledge of product and waste composition at all stages nationwide.

4: ADD CEMENT KILNS AS A CATEGORY OF INFORMATION PROVIDED FOR DIVERTED PLASTICS THAT ARE SENT FOR FINAL DISPOSAL

Underreporting and misinformation about plastic waste management is very likely without legal, agreed-upon definitions of forms of diversion. Cement kilns are a blind spot under existing EPR systems. To improve the proposed Registry, Environment and Climate Change Canada must add "the total quantity in tonnes of diverted plastics that are sent to cement kiln or cement production facilities" under Part 1 Information to provide respecting items listed in Schedule 1 (7). In British Columbia, Lafarge boasts that it incinerates plastic waste coming from local recyclers,^{9,10} However, the tonnage diverted to cement kilns like Lafarge is not reported under Recycle BC.¹¹ Cement manufacturing is one of the largest carbon-emitting sources globally, with burning fuels for manufacturing accounting for a substantial portion of emissions.¹² A comprehensive Registry must capture plastics' role in fueling cement kilns as a method of diversion for waste reduction.

5: SPECIFY PLASTIC PRODUCTS AND PLASTIC PACKAGING SENT FOR DESTRUCTION VERSUS RESALE OR REUSE

Current Duty Drawback¹³ programs in Canada have been flagged as plastic waste-generating incentives for Retailers, falsely pitched as required to maintain market competitiveness. Unknown amounts of plastic products and plastic packaging are destroyed and sent to landfill to receive tax benefits through this process. When new lines or models of products are put to

⁹ CBC. <u>B.C. company turns recycled plastic into fuel</u>

¹⁰ 2023. Lafarge. Lafarge Richmond plant environmental product declaration.

¹¹ 2022. Recycle BC. "<u>Recycle BC 2022 Annual Report</u>."

¹² 2002. "<u>The Cement Sustainability Initiative: Our agenda for action, World Business Council for Sustainable</u> <u>Development</u>."

¹³ NAFTA Requirements for the Duty Drawback and the Duties Relief Programs: <u>Memorandum D7-4-3</u>

market, Retailers are financially incentivized to damage old products and packaging, sending the "outdated" yet perfectly usable versions to landfill, rather than donating the products to more sustainable or reusable end-of-life solutions. Products captured under Duty Drawback range from toys to clothing to white goods, and secondary markets for their reuse and resale exist (i.e., shelters or thrift stores). Similar processes can be found in grocery stores, where food products and plastic packaging nearing expiration or with some physical damages are sent to landfill or incineration rather than donated or discounted.

Large companies and major grocers are not transparent about the amount of usable plastic products and plastic packaging that is subjectively sent to landfill or incineration. The Registry must add "the total quantity in tonnes of diverted plastics that are sent for destruction by Retailers" under Part 1 Information to provide respecting items listed in Schedule 1 (7).

6: CAPTURE PLASTIC IMPORTS AND EXPORTS

To support existing agreements such as the Basel Convention, the Registry must include import and export information on plastic products and plastic waste considered non-hazardous. It must add the country of origin and the total quantity imported in tonnes as a category of information provided for products placed on the Canadian market. It must also add the country of destination and total quantity exported in tonnes as a category of information provided for diverted plastics that are sent for final disposal methods. Reporting requirements around the import and export of non-hazardous plastics not captured by international agreements is critical in measuring proper management or reduction of plastics as well as compliance.

7: CAPTURE ALL PRIMARY PLASTIC RESIN PRODUCTION

Plastic products are well captured in the proposed Registry, but as Canada explores internationally legally binding agreements that potentially limit or cap the production of primary plastics, the Government of Canada must have a mechanism in place to properly track the domestic production of resins. Further, we must know if that production is leading to the import or export of resins to avoid breaking commitments within internationally legally binding agreements¹⁴ to reduce overall global production levels. Primary plastic resins must be added to Part 3 of Schedule 1 under the Registry.

8: CAPTURE CHEMICALS OF CONCERN DURING PLASTICS PRODUCTION.

The Registry can track both environmental damages caused by plastics across the full lifecycle and the risks posed to human health.¹⁵ Plastics contain many additives and chemicals^{16,17} linked

¹⁴ 2023. CBC. <u>Paper Trail</u>.

¹⁵ Politico. 2024. <u>Top EU officials have toxic 'forever chemicals' in their blood.</u>

¹⁶ Women's Voices for the Earth. 2020. <u>https://womensvoices.org/2020/02/28/wait-what-now-there-are-phthalates-in-tampons-and-pads-too/</u>

¹⁷ Health. Environment. Justice Support. 2021. <u>PFAS in Food Packaging Materials</u>.

to diseases such as cancer,¹⁸ respiratory illness,¹⁹ infertility,^{20,21} and endocrine disruption.²² Health associations have begun to recommend avoiding plastic packaging²³ to maintain good health. The registry must not be limited to the volume of plastics but must capture chemicals of concern added to plastics at the production stage.

Tracking plastic additives which pose the greatest health risks to the environment and people provides the federal government with the ability to strategically eliminate problematic materials and products. Further, while considering the circularity of plastics it is important to not increase the concentration of chemicals of concern when developing recycled content or reusables. Knowledge of chemicals of concern can determine optimal technologies for cleaning plastics feedstock and optimal materials for procurement of recyclate, feedstocks and reusable systems.

A comprehensive and timely Federal Plastics Registry is paramount to helping Canada meet its commitment to zero plastic waste by 2030. With detailed knowledge of what is driving plastic waste, Canada can develop strategic regulations that effectively protect the oceans.

Kind regards,

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About Oceana Canada

Oceana Canada was established as an independent charity in 2015 and is part of the largest international advocacy group dedicated solely to ocean conservation. Oceana Canada has successfully campaigned to end the shark fin trade, make rebuilding depleted fish populations the law, improve the way fisheries are managed and protect marine habitat. We work with civil society, academics, fishers, Indigenous Peoples and Environment and Climate Change Canada to return Canada's formerly vibrant oceans to health and abundance. By restoring Canada's oceans, we can strengthen our communities, reap greater economic and nutritional benefits and protect our future.

¹⁸ BreastCancer.org. 2023. https://www.breastcancer.org/risk/risk-factors/exposure-to-chemicals-in-plastic

¹⁹ Lu et al. 2022. Microplastics, potential threat to patients with lung diseases. Front Toxicol. 2022; 4: 958414. ²⁰ Kortenkamp et al. 2022. Combined exposures to bisphenols, polychlorinated dioxins, paracetamol, and phthalates as drivers of deteriorating semen quality. Environment International. Vol 165.

²¹ The Guardian. 2023. Plastics, pesticides and pills: how chemical exposures affect sperm health.

²² Ullah et al. 2023. A review of the endocrine disrupting effects of micro and nano plastic and their associated chemicals in mammals. Front Endocrinol (Lausanne). 2022; 13: 1084236.

²³ European Society of Endocrinology. 2024. <u>10 recommendations for good hormone health</u>.