

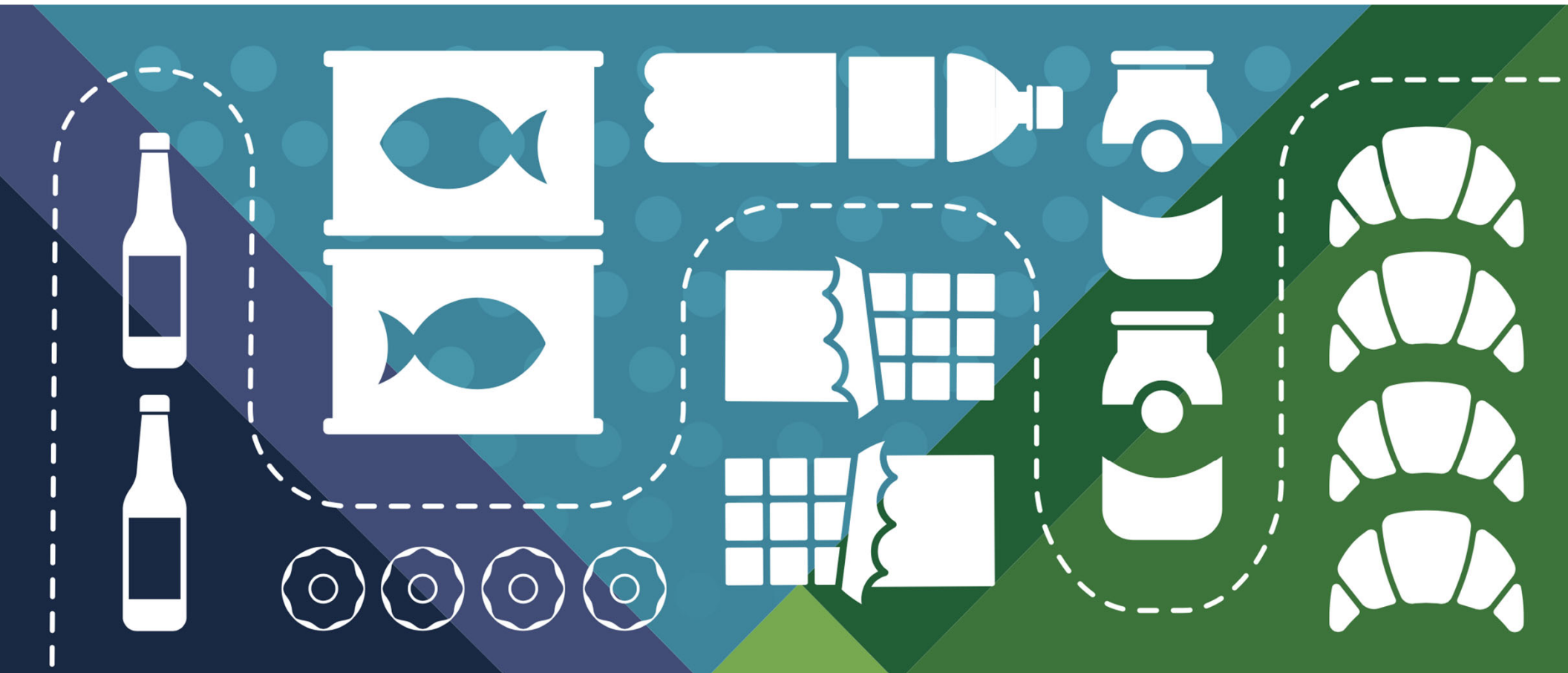
Food and
Beverage
Canada



Aliments
et boissons
Canada

Update on Plastics and Packaging

Presentation to CPEP – June 11, 2024



Our Organization

- Food and Beverage Canada (FBC-ABC) is the national industry association representing **Canada's domestic food and beverage manufacturers**. Our focus is on **policy and advocacy**.
- Our members **include Canada's six provincial and regional food and beverage manufacturing associations** as well as leading Canadian companies.
- All of FBC-ABC's corporate members have manufacturing facilities located in Canada – **we speak for Canadian interests**.



Pollution Prevention (P2) Planning Notice

P2 notice for primary food plastic packaging

- August 2023, ECCC proposed to develop a pollution prevention (P2) planning notice for plastic packaging that comes into direct contact with food, which would **require Canada's largest grocery retailers to prepare and implement a plan to meet targets to reduce, reuse, and redesign primary food plastic packaging, including recycled content targets.**
- A P2 notice is an **enforceable instrument** under CEPA, and there are penalties for non-compliance.
- The Government expects companies along the value chain to work together to meet the objectives set out in the P2 notice.

Pollution Prevention (P2) Planning Notice

Objectives from the pre-consultation

Risk management objectives	Targets
<p>Reduce the environmental impact of primary food plastic packaging along the value chain to the greatest extent practicable through the elimination of unnecessary or problematic packaging and design for circularity</p>	2035
<p>Fresh fruits and vegetables distributed and sold in bulk and/or in plastic-free packaging</p>	<p>At least 75% by 2026 At least 95% by 2028</p>
<p>All primary food plastic packaging is reusable, recyclable, or compostable*</p> <p>*Where local composting facilities accept these products and subject to proposed federal standards</p>	100% by 2028
<p>Develop strategies, outside of fresh produce, to increase, by a certain percentage, the sale of:</p> <ul style="list-style-type: none"> • products within a reuse-refill system* • products free of plastic packaging and/or • concentrated products <p>Companies would have the flexibility to meet reuse/refill, products free of plastic packaging, and concentrated products targets using non-food products.</p>	<p>20% by 2026 50% by 2030 60% by 2035</p> <p>*products within reuse-refill at least 50% of above targets</p>
<p>Non-reusable* plastic food packaging contains post-consumer recycled (PCR) content**</p>	<p>Annual average of: 10% by 2028 20% by 2030 30% by 2035</p>

Pollution Prevention (P2) Notice – FBC-ABC's Response

- In our submission, we highlighted various concerns, including:
 - Impact on **supply chain relationships**
 - Unintended consequences, like an **increase in food waste**
 - **Lack of alternatives**, and environmental considerations of switching
 - **Higher cost of alternatives**, and costs associated with transitioning
 - **Differences in regulations, definitions and recycling capabilities** across provinces and municipalities

Federal Court Decision on Single Use Plastics

- November 2023, Federal Court declared the 2021 order placing plastic manufactured items to Schedule 1 of CEPA **invalid**.
- The Federal Government appealed and was granted a stay motion – prevents the courts ruling from taking effect while the appeal is ongoing.
- Proposed recycled content and labelling regulations, and the proposed P2 notice are now **on hold**.

Federal Plastics Registry

- Producers of plastics will have to **report the quantities of plastic they place on the Canadian market on an annual basis** – on criteria including product categories and subcategories, resin sources and type.
- Reporting will also be required on unfilled and filled packaging, within the following subcategories: **Beverage containers, food contact materials**
- Defines producer as a brand owner, but you may delegate reporting to other parties, like PROs.
- FBC-ABC's concerns centered around **the duplication of efforts, additional reporting burdens** (in particular for SMEs), and questions around **where applicable data comes from and who validates it.**

Federal Plastics Registry

- Annual reporting will start in **September 2025**, for data related to the 2024 calendar year.
- Small businesses that generate less than 1,000 kg of plastic product or packaging are exempt.
- ECCC will likely **rely on the information collected to inform the development of future plastic reduction regulations and measures**, such as plastic packaging reduction requirements.

FBC-ABC's Plastics Policy & Advocacy Campaign – To date

- **Objectives:**

- Educate officials
- Promote realistic federal plastic policies
- Foster innovation and investment
- Economic considerations

- **Activities:**

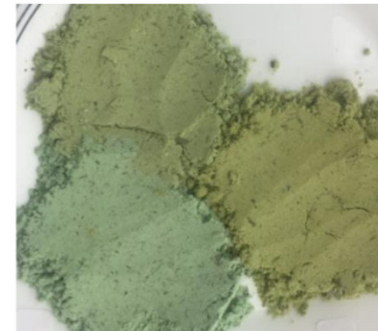
- March 2024 presentation to the Food Manufacturers Engagement Table
- Support and collaboration with CMC and BAC
- Joint events with FBO
- Meetings with ECCC officials
- Agreement on common goals and messaging

FBC-ABC's Plastics Policy & Advocacy Campaign – To date

- FMET Presentation – March 2024

Challenges Faced during Testing for PCR and Monolayer Materials

- Natural colors (paprika & turmeric) leaching through the single layered material.
- Product caking when exposed to moisture (hygroscopic ingredients)
- Discoloration of natural colors when exposed to light through monolayer film.



FBC-ABC's Plastics Policy & Advocacy Campaign – Next steps

- **Our next steps between now and Fall 2024 include:**
 - Outreach in advance of FPT Ministers meeting
 - Develop supporting material:
 - Company case studies
 - Snapshots of subsectors
 - Messaging that quantifies industry investments
 - Development of a life cycle tool
 - Plant visits to view packaging
 - Targeted recommendations for Federal Budget 2025
 - Committee opportunities
 - Opportunities through our Provincial and Regional Associations
 - Continued engagement (meetings with officials, parliamentarians)

FBC-ABC's Plastics Policy & Advocacy Campaign – Next steps

- **Key messages:**
 - Plastic is used by manufacturers with specific considerations in mind.
 - Reformulating packaging is a long process, requiring significant investments.
 - Industry is eager to work with the federal government on plastics reduction and wants to collaborate to ensure that outcomes we target are manageable.