

Federal Government Unveils Sweeping New Plastics Packaging Regulations



Plastics producers will have to meet new labeling requirements by 2025.

Canada has resolved to eliminate all plastic waste by 2030. On April 18, 2023, the federal government rolled out a trio of wide-ranging initiatives designed to further its zero plastic waste agenda. Here's a briefing on each of the proposed initiatives and their potential impact on your company.

1. New Plastics Labelling Requirements

Environment and Climate Change Canada has proposed a program that would require consumer-facing primary, secondary and e-commerce plastic packaging and single-use plastics (SUPs) to use an icon to communicate information about recyclability and compostability. The rule would cover both conventional plastics and plastics made from renewable resources. Exemptions would apply to reusable packaging that can be used multiple times in a reuse or refill system, as well as specific kinds of products such as small items with a display surface of less than 15cm².

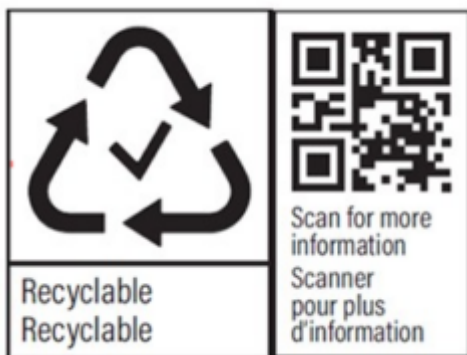
Recyclability

Under the proposal, before being placed on the market, plastic packaging or a SUP would have to undergo a recyclability assessment in each province or territory in which it will be sold. Specifically, the assessment must consider all of the product's components for collection, sorting and re-processing with the findings to be used to determine whether the product or components should be classified as:

- Recyclable;
- Non-recyclable; or
- Collected.

Each classification has its own label format. If the product and all its components have the same classification, you'd need only a simplified label:

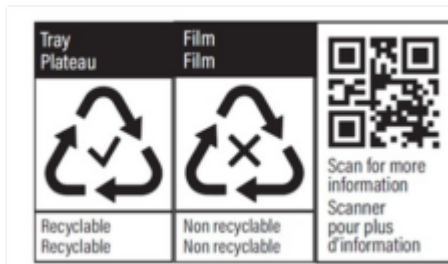
Example of Simplified Recyclability Label



<https://www.canada.ca/en/environment-climate-change/services/canadian-environmental-protection-act-registry/recycled-content-labelling-rules-plastics.html> scroll down to Figure 5

However, if packaging contains components of mixed classifications, you'd need a more detailed version of the label that also shows the other classifications.

Example of Simplified Mixed Recyclability/Non-Recyclability Label



<https://www.canada.ca/en/environment-climate-change/services/canadian-environmental-protection-act-registry/recycled-content-labelling-rules-plastics.html> scroll down to Figure 4

Notice that labels must also include a QR code listing information about the item's recyclability by linking to a freely available website that would also have to meet detailed content and formatting requirements set out in the proposed labeling rule.

Compostability

The proposed rule also bans as using 'degradable,' 'biodegradable' or any form of those terms implying break down, fragmentation or biodegradability in the environment in labels so as to reduce consumer confusion. To be labelled "compostable," an item would have to be certified by an accredited third party to an acceptable standard specification for compostable plastics. Compostable products would also have to undergo in-field testing at a composting facility in Canada, be associated with organic wastes and meet specifications related to concentrations of metals, fluorine and other elements of concern.

Labeling of compostable items would have to be:

- Classified as "non-recyclable";
- Display the word "compostable" and
- Use green coloured labelling, striping or tinting to differentiate it from non-compostable plastic items.

There's also be new requirements for Price Look-Up (PLU)

produce stickers to be compostable and prohibit PLU produce stickers that are non-compostable. However, PLU stickers would be exempt from the specific wording/colouring requirements.

2. New Mandatory Recycled Plastic Minimum Thresholds

Companies selling plastics into Canada would also be subject to new minimum recycled content requirements subject to exemptions based on previous year’s revenues or plastic packaging placed into Canada. Minimum content applies to:

- Rigid packaging whose shape remains essentially unchanged after the contents are added or removed; and
- Flexible packaging designed to change shape under tension or heat.

Schedule of Required Minimum Annual Percentage of Recycled Content

Packaging Category	Product Category	2025	2026-2027	2028-2029	2030
Rigid	Beverage bottles	Report only	20%	40%	60%
Rigid	Rigid PET/HDPE	Report only	20%	30%	60%
Rigid	Other resin types	Report only	Report only	30%	60%
Rigid	Special categories, rigid	Report only	Report only	Report only	40%
Flexible	Waste bags	Report only	10%	Subject to below targets for flexibles	Subject to below targets for flexibles

Packaging Category	Product Category	2025	2026-2027	2028-2029	2030
Flexible	Flexible > 35 'm thickness	Report only	Report only	30%	50%
Flexible	Flexible 20-35 'm thickness	Report only	Report only	20%	40%
Flexible	Flexible < 20 'm thickness	Report only	Report only	15%	35%
Flexible	Special categories, flexible	Report only	Report only	Report only	30%

3. New Plastics Registry

Last but not least, the packaging producers would have to report information about their products on a public-facing federal plastics registry website designed to increase transparency about plastic waste, pollution and recovery across Canada. This registry would function in tandem with existing provincial and territorial extended producer responsibility programs (EPR), by standardizing the data collected on those EPR programs.

Takeaway

The federal proposals are just that'proposals. The government will take public comments on the proposals until May 18 and then create a final rule based on the feedback. The current plan is to publish the final rule before the end of 2024 to give companies enough time to prepare for an effective date in 2025.