

April 6, 2021

Mr. Francis Scarpaleggia, M.P.
Chair, Standing Committee on Environment and Sustainable Development
Sixth Floor, 131 Queen Street
House of Commons
Ottawa ON K1A 0A6
By email: ENVI@parl.gc.ca

Dear Mr. Scarpaleggia:

Re: Study on Single-Use Plastics

INEOS Styrolution recognizes that our industry must contribute towards solutions. Through improved product design, enhanced recovery systems, and increased end-markets for post-consumer plastics, our company is committed to working with governments and implementing plans to create a circular economy for plastics.

The Circular Economy for Plastics

As a member of the Chemistry Industry Association's Plastics Division, INEOS Styrolution Canada, is committed to advancing viable solutions to address plastic waste. We have made the following commitments:

- 100 per cent of plastics packaging being recyclable or recoverable by 2030
- 100 per cent of plastics packaging being reused, recycled, or recovered by 2040
- Implementation of Operation Clean Sweep® by 2022, an international plastic stewardship program aimed at eliminating the escape of plastic pellets from industry operations, with a focus on preventing leakage into rivers and oceans.

Plastics play an important role in our modern and sustainable way of life: protective food packaging helps ensure consumers have access to safe, sanitary food products, and play a significant role in extending product shelf-life and reducing food waste and greenhouse gas (GHG) emissions. Plastics are critical to achieving our climate change goals – from lighter, stronger wind turbines, lighter, more fuel-efficient vehicles, to insulating materials to keep our homes warm.

INEOS Styrolution is a leading global styrenics supplier, with a focus on styrene monomer, polystyrene, ABS Standard and styrenic specialties. Our company provides styrenic applications for many everyday products across a broad range of industries, including automotive, electronics, household, construction, healthcare, packaging and toys/sports/leisure. INEOS Styrolution employs approximately 3,600 people and operates 20 production sites in ten countries, including Canada.

Our company has strong sustainability goals that aim to improve and increase the recovery of post-consumer waste and strengthen innovation for plastics circularity. We have world-class production facilities, cutting-edge R&D centers, international reach, and over 90 years' experience pioneering real change through innovative and sustainable best-in-class solutions to help make the circular economy for plastics a reality.

Several Members of the CIAC Plastics Division and other innovators across the country are advancing important and innovative technologies to ensure that post-consumer plastics remain in the economy, not the environment. This includes, INEOS Styrolution. We have entered into a partnership to construct a polystyrene recycling facility (a product under this approach, which is currently being considered for a Federal ban). It is unclear what goal is being achieved with a Federal approach that seeks to ban products that can already be recycled and where companies have made significant investments of time and money to contribute to the establishment of a circular economy for plastics.

Environmental Impacts of the Proposed Federal Government Approach

INEOS Styrolution Canada, is deeply concerned with the proposed Federal approach to list “plastic manufactured items” under the Canadian Environmental Protection Act (CEPA) *Schedule 1: List of Toxic Substances* and ban certain plastic products.

CEPA is the wrong tool to approach the management of plastic waste. It is not designed to regulate a broad set of consumer products. Plastic is an inert product. A scientifically unjustified designation for plastics on the *List of Toxic Substances* would blur the line with those substances that are truly toxic and are rightfully managed under CEPA.

Mislabeling plastics as *toxic Substances* and banning single-use plastics inappropriately targets the use of plastic products rather than the insufficient end-of-life management. The Proposed Integrated Management Approach does not consider, from a life-cycle perspective, the environmental costs of alternatives that would be selected in the event plastic products are banned. Studies have shown that the environmental cost of using alternative materials to plastic in consumer goods is almost four (4) times higher. Estimates indicate that substituting plastics in consumer products and packaging with alternatives that perform the same function will increase environmental costs from US\$139 billion to US\$533 billion.¹

We recommend not using CEPA to regulate a set of consumer products like “plastic manufactured items”. Rather, the Government should re-focus on investments and incentives to develop technological and system-wide process solutions in support of a circular economy. Additionally, a life-cycle assessment of plastic products compared to alternatives will help avoid regrettable situations where alternatives selected have a larger overall environmental footprint. We encourage the Government to develop a life cycle assessment of single-use plastic products compared to alternatives when used in the quantities required to replace plastic.

Plastics Role in Addressing Food Insecurity and Protecting the Health of Canadians

According to the Chemistry Industry Association of Canada (CIAC), plastic packaging reduces food loss and waste by protecting food products, and extending shelf-life. For example, plastic film helps increase shelf-life of fresh meats up to 21 days or more, and plastic vacuum packaging extends shelf life 10 times longer than store-wrapped meat, resulting in 75% less food waste.

¹ Trucost. July 2016. Plastics and Sustainability: A Valuation of Environmental Benefits, Costs, and Opportunities for Continuous Improvement.

Plastics are also prevalent in the healthcare industry as they are impermeable to germs. They make medical procedures simpler, safer, and prevent the transmission of diseases in hospitals. From medical devices to artificial corneas, hearing aids to time-release pill capsules, innovation in plastics has revolutionized the medical industry. Plastics have also played an essential role in response to the COVID-19 pandemic - from the production of personal protective equipment to the packaging and syringes used to deliver vaccines.

The Proposed Management Approach does not consider the impacts that banning plastic products would have from a food safety or food security perspective, nor does it consider the benefits plastics play in the medical and healthcare industries in protecting human health and preventing disease transmission. By associating the use of the word 'toxic' with plastic products, it will create consumer confusion and concern, undermining confidence in the health and safety measures of these highly regulated products.

Economic and Job Impacts

The plastics sector is an SME-driven industry; 86 per cent of Canada's plastic product manufacturers are family-run businesses across the country. Based on data from Statistics Canada, the Chemistry Industry Association of Canada has estimated that the designation of single-use plastics could be applied to approximately one quarter- **\$5.5 – 7.5 billion-** of Canada's plastic product shipments, representing **13,000 – 20,000 Canadian direct jobs. Indirect jobs range from 26,000 – 40,000 jobs.**

Furthermore, adding all plastic manufactured items to CEPA Schedule 1 *List of Toxic Substances* could put at risk additional aspects of the \$35 billion plastics supply chain, especially resin producers with major operations in Alberta and Ontario. This designation will send a strong negative signal to the industry as it considers future investments. Alberta, Ontario, BC, and Québec are all prioritizing chemistry and plastics investments as part of their economic growth and recovery plans.

With no clarity on how extensively the Proposed Integrated Management Approach will assess other plastic items, there is uncertainty regarding the broader economic impacts this approach will have. For example, the Government has not addressed questions regarding whether the proposed bans will be on the sale of these products in Canada (while allowing the sale in the US) or whether it will include a manufacturing and export ban. This determination has significant impact on being able to assess the scope of economic and job impacts as many companies export a significant amount of their product lines to the US. Additionally, such an approach could eliminate the ability for companies to invest in Canada, due to their inability to justify styrenics investments in a country that labels its products as "toxic".

We recommend the Government conduct an analysis of the economic and job impacts on SMEs and the plastics industry of designating plastics under Schedule 1 of CEPA and banning some plastic products.

In Conclusion

Our Company, alongside Partners, are working on innovative technologies to increase the reuse and recycling of plastics. We are seeing a significant shift in the plastics industry towards providing innovative, sustainable and circular solutions for the products we produce. For the aforementioned reasons, we respectfully request your consideration on the impacts of banning single-use plastic products and designating plastics under the *Canadian Environmental Protection Act*.

Sincerely,



Gregory Fordyce

President

INEOS Styrolution Canada Ltd.

INEOS Styrolution is a member of the Chemistry Industry Association of Canada (CIAC) Plastics Division, which represents Canada's leaders in plastics sustainability – a \$35 billion sector that directly employs over 93,000 Canadians. The Division encompasses the entire plastics value chain, including resin and raw material suppliers, processors/converters, equipment suppliers, recyclers, and brand owners.