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Ministry of the Environment, Conservation and Parks College Park 5th Flr, 777 Bay St Toronto, ON M7A 2J3 416-325-4000

Re: Comments in response to "A proposed regulation, and proposed regulatory amendments, to make producers responsible for operating blue box programs"

To Whom It May Concern:

EFS-plastics Inc. is an Ontario-based post-consumer plastics recycler with a focus on processing bales of low-value plastics (i.e. mixed plastics and plastic bags) into a high-quality 100% post-consumer plastic resin. Founded in 2007, EFS-plastics now recycles approximately 45,000 tonnes of plastic per year that may have otherwise been exported overseas or landfilled.

EFS-plastics is pleased to see the province moving towards a 100% producer funded model. When we compare our suppliers in the US to our suppliers in Canada, where extended producer responsibility (EPR) systems have been functioning for years, we see the impact on the diversion rates, the types of products recovered, and the quality of commodities produced. A strong EPR program in Ontario has helped create a stable market, which has made Ontario a good place to run a plastic recycling facility.

After reviewing the proposed regulation, we are in favour of most of the actions that are proposed. Our comments are focused on areas that might have been overlooked or where further clarification is needed. If the Ministry can address these issues, we feel confident that the transition to full producer responsibility will be a success for municipalities, recyclers, brands and the environment.

1) "Flexible Plastic" as a singular product category

In general, polyethylene (PE) film (#4 LDPE & #2 HDPE) collected through curbside programs can pose challenges to recycle because it traps moisture, entangles contaminants and easily gets stuck in equipment at Material Recovery Facilities (MRFs). That said, with the appropriate infrastructure and technologies, PE film can be recycled into circular end markets like grocery bags and garbage bags. EFS-plastics has been successfully recovering PE film from Blue Box programs in Ontario since 2007.

In recent years, we have been seeing more of a particularity difficult type of contamination: multi-material films. Multi-material film packaging, like cereal pouches, soup pouches, yogurt pouches, chip bags, candy wrappers, cheese wraps, etc., appears to be very similar to PE film, but they are made of many different



types of plastic resins. The challenge is that they behave much like PE film through most of the sorting process, but then they deposit their contamination into our final PE pellet products. If PE film and multimaterial films were to be mixed and treated as a single entity, PE film in that mixture would only be able to be down-cycled rather than be recycled back into a film application as it is today.

While PE film packaging is a recyclable film, multi-material films are not recyclable through mechanical processes available today. Even if there is an opportunity to recycle multi-material films in the future, it is important that this stream be clearly distinguished from PE films, which are currently recyclable at large scale across the province and country.

Recommendation: Call out distinct categories for flexible plastic – "PE Film" and "Multi-material Film."

2) "Post-consumer" recycled content not mentioned

We are very happy to see the regulation's efforts to drive end-market demand for recyclables. If a brand commits to used recycled materials, they are significantly contributing to the recycling system and they should be rewarded.

To truly drive demand for recyclable material collected in the Blue Box program, it is very important that the regulation specifically incentivizes the use of "post-consumer" recycled content, and not just "recycled content." If it is left as just "recycled content," producer could be able to claim the use of internal plant scrap as "pre-consumer" or "post-industrial" recycled content. There is enough motivation to reuse pre-consumer material in-house due to convenience and cost-saving. It should be thought of very differently than post-consumer recycled material.

Third party certification should be required for all suppliers of post-consumer recycled content. For plastic resin, we recommend that third party certifiers must comply with the <u>Association of Plastic Recyclers Post-Consumer Resin (PCR) Certification Program</u>. From our perspective, this is the most comprehensive, relevant certification program available and in widespread use today.

Recommendation: Add "post-consumer" before any mention of recycled content. Require third party certification be conducted for any resin to qualify as PCR.

3) Minimum recovery percentages

Rigid Plastic – The recovery goals of 55% by 2026 and 60% by 2030 are not aggressive enough. EFS plastics is sourcing plastics from across North America (from Oregon to California to Florida) to supply our Ontario plant, when we know there are thousands of tonnes of recyclable plastic being lost to landfill or waste-to-energy every day in Ontario. There is strong demand for rigid plastic; we urgently need to be collecting more PET, HDPE and PP in Ontario as soon as possible.

Film Plastic – It is unclear what is meant by this target of 30% by 2026 and 40% by 2030. If these goals are referring to PE film packaging, then this is an ambitious, yet achievable goal. If this is referring to including multi-material films, this is not realistic. There is currently no large-scale recycling operation that recovers multi-material films, aside from incineration. These goals should be based on proven, tested technologies operating today. Separate goals should be set for PE film and multi-material film.



4) Recycling must be prioritized over waste-to-energy

This document does not specifically call out the role of waste-to-energy in the Blue Box program. It is important that recycling, be it mechanical or chemical, be prioritized over waste-to-energy. Tonnes recovered through recycling process should be weighted significantly higher than tonnes treated through a waste-to-energy process. We understand the value of waste-to-energy when compared to landfill, and we would like to see waste-to-energy be a part of waste management system, but it must be ranked as last case scenario after all other recycling pathways have been explored.

Recommendation: Waste-to-energy should not classify as "recovery," although it should be permissible as an end-of-life option.

We appreciate the opportunity to provide feedback. EFS-plastics looks forward to being a part of a Blue Box program fully funded by producers. We are optimistic that the Blue Box of the future will support local recyclers and will lead to better environmental outcomes for many years to come.

Sincerely,

Martin Vogt President & CEO

Eadaoin Quinn Director, Business Development