Packaging Reduction Q & As

1. Why were these commitments developed?

Concerned with the amount of packaging material in the Canadian marketplace, Ministers announced in June 2011 that CCME will build on existing initiatives from governments and industry groups in Canada and abroad to develop a Canada-wide approach to optimize packaging reductions. A CCME-Industry Task Group on Packaging Reduction was established to assist in the development of the approach.

2. What are the industry commitments?

<u>Goal:</u> Industry commits to undertake initiatives that will result in a **reduced packaging footprint**:

- Less packaging to landfill
- o Reduced greenhouse gas emissions
- o Increased recycled content in packaging.
- 1. In order to measure success, industry commits to creating a baseline by 2014 to measure how much packaging is in the marketplace, by using best available data as well as identifying sources for new data. With this information, industry and government will proceed with discussion of quantitative targets to reduce the environmental footprint of packaging through packaging optimization upon completion of baseline data.
- 2. Industry commits to facilitate the development and implementation of a national voluntary design guide by March 31, 2013 for the optimization of packaging through the Packaging Association of Canada PAC NEXT initiative.
- 3. Industry commits to continue its efforts in eliminating the use of PVC in rigid plastic packaging. Through the packaging baseline (Commitment 1), industry will identify how much PVC is in the marketplace, set timeline for its elimination, and develop mechanisms to track progress on an annual basis with reporting on how much PVC remains in rigid plastic packaging and barriers that must be overcome to achieve this objective. Industry will promote best practices and encourage adoption of the design guide (Commitment 2) to facilitate the elimination of PVC.
- 4. Industry commits to enhance communication with the Canadian public on industry successes in packaging reduction.

3. How do these commitments meet ministers' direction?

3.1. Industry is committed to reducing its packaging impact.

Industry efforts to optimize packaging in the Canadian marketplace are leading to reductions in both the absolute amount of packaging and the overall environmental footprint of packaging. Examples include:

- Laundry detergent compaction resulting in up to 43% in plastic reduction
- Bottled drinking water manufacturer using a closed loop system that takes discarded plastic bottles and recycles them into new ones

October 2012 1 of 3

- Lamp fixture package redesign resulting in up to 36% cube reduction and 0.086 metric tonnes of GHG avoidance.
- Retailer converted 115 Health and Beauty products from a PVC bottle to a recyclable alternative material.

3.2. Establishing a baseline enables industry and government to identify targets and timelines for reducing packaging.

There is a lack of coordinated information about how much packaging is in the Canadian marketplace. The number of imported products and packaging adds to the complexity and cost of the data collection. The majority of the Canadian retail sector is developing a database in partnership with GS1 Canada to enable trading partners to share product level sustainability information based on a common set of packaging sustainability metrics as described in the Global Packaging Project for Sustainability; the GS1 Canada baseline is expected to be operational by 2013.

The expanded baseline will measure how much packaging is in the marketplace in the grocery and general mass merchandise retailers, food and consumer product manufacturers, and restaurant and quick service sectors (i.e., those sectors represented on the Task Group). The baseline will be developed by using:

- Best available data (e.g., existing stewardship data);
- Current projects underway to collect sustainable packaging information (e.g., GS1 Canada); and
- Sources for new data to ensure that all sectors are captured in the industry baseline. (e.g., compiling information from industry associations).

Establishing this baseline is a first step in establishing quantitative targets for reducing the environmental footprint of packaging going forward. Once the baseline is established in 2014, industry and government will proceed with discussion of quantitative targets to reduce the environmental footprint of packaging through packaging optimization.

3.3. Better-designed packaging reduces environmental footprint.

A national voluntary design guide will present industry's best practices for optimizing packaging. The voluntary design guide, to be coordinated through the Packaging Association of Canada's PAC NEXT Initiative, will be aligned with the Global Protocol on Packaging Sustainability 2.0 (GPPS 2.0) and will build on other known products including the Éco Entreprises Québec (ÉEQ) Voluntary Code and the Sustainable Packaging Coalition design guide. Industry supports the adoption of international standards such as GPPS 2.0 as a common language that can be used to facilitate the exchange of information related to packaging sustainability between supply chain partners.

3.4. Eliminating PVC will facilitate increased recycling of rigid plastic packaging.

PVC is a key contaminant in the plastics marketplace that prevents recycling of other non-PVC plastics. In 2009, approximately 5.7 billion pounds of rigid plastic packaging (such as clamshells) went to landfills in North America. By committing to move away from plastics that are not easily recycled and into plastics that are more easily recycled, industry will be able to recover more of its plastic packaging, reducing the strain on municipal landfills.

Off-shore suppliers pose a significant challenge to eliminating PVC from the Canadian marketplace, particularly for smaller Canadian organizations lacking the information needed to eliminate PVC from their packaging. Industry is committed to first understanding how much PVC

October 2012 2 of 3

is in the Canadian marketplace through the establishment of a packaging baseline (Commitment 1), establishing timelines for its elimination, and promoting best practices with its suppliers to facilitate the elimination of PVC. Alternatives to PVC will be featured in the national design guide (Commitment 2).

3.5. Improved industry communication will increase public's understanding of industry successes in packaging reduction.

In conjunction with PAC NEXT, industry will develop a website to highlight examples of packaging reduction and packaging sustainability success stories. The regularly-updated website will draw together and highlight examples of innovative sustainable packaging strategies undertaken by industry to optimize packaging reductions.

4. Who participated in developing these commitments?

Industry representation on the Task Group consisted of associations from grocery retail and general merchandise retail (Retail Council of Canada), consumer packaged goods—food sector (Food and Consumer Products of Canada), the quick-service food sector (Canadian Restaurant and Food Association) and the broad packaging sector (Packaging Association of Canada); as well as individual companies representing their industry associations. This group represents a majority of the packaging sector in Canada but does not represent 100% of the market. Specifically, general merchandise and apparel manufacturers were not included. The CCME-Industry Task Group was cochaired by Manitoba and the Packaging Association of Canada.

October 2012 3 of 3