

July 3, 2025

Resource Recovery Policy Branch Ministry of Environment, Conservation and Parks 40 St. Clair Avenue West, 8<sup>th</sup> Floor Toronto, ON M4V 1M2

Sent via email: Marc.Peverini@ontario.ca

Re: Response to Proposed Amendments to the Blue Box Regulation (ERO number 025-0009)

Dear Mr. Peverini,

On behalf of the Canadian fresh fruit and vegetable supply chain, the Canadian Produce Marketing Association (CPMA) is pleased to offer this submission in response to the proposed amendments to the Blue Box Regulation, presented for consultation on June 4, 2025.

#### **About CPMA**

Based in Ottawa, CPMA is a not-for-profit organization representing companies active in the marketing of fresh fruit and vegetables in Canada, from the farm gate to the dinner plate, spanning the entire produce industry. The Association's members include major growers, shippers, packers and marketers; importers and exporters; transportation and logistics firms; brokers, distributors and wholesalers; retailers and foodservice distributors; and fresh cut operators and processors. Founded in 1925, CPMA is proud to represent over 900 domestic and international members who are responsible for 90% of fresh fruit and vegetable sales in Canada.

In Ontario alone, the fresh produce supply chain contributes \$4.6 billion in GDP and supports more than 59,000 jobs. Nationally, the produce industry generates over \$15 billion annually in economic activity and supports over 185,400 jobs in rural and urban communities from coast to coast to coast (Conference Board of Canada, 2023).

As stakeholders in Ontario's fresh produce sector, we are committed to helping the province achieve a circular economy for all packaging, including the materials essential for safely and efficiently delivering fresh, healthy food to Ontarians.

#### Concerns with the Current Blue Box System in Ontario

While CPMA understands the government's goal is to curb rising costs, we are concerned that many of the proposed amendments may jeopardize the stability of the blue box system, undermine significant



investments already made in sustainable packaging, and put Ontario out of step with other Canadian jurisdictions. As written, the proposals appear to prioritize short-term relief over the long-term goals of developing a circular economy.

In general, there are concerns with the Ontario Blue Box program which many of our members have expressed over the past year, most notably regarding the following adverse impacts on the industry at large:

- Significant and ever escalating Extended Producer Responsibility (EPR) fees which are adversely impacting the cost of doing business in Ontario.
- A significant lack of transparency on the future cost of EPR fees, making planning difficult. This
  includes the lack of transparency on the potential for eco-modulated fees that could reduce fees
  through the adoption of more sustainable forms of packaging.
- The lack of consideration of the function and importance of the packaging when EPR fees are being
  set. Given the critical function that fresh produce packaging plays to ensure safe and timely delivery of
  fruits and vegetables, EPR fees should be discounted to reflect the critical role packaging plays in
  mitigating food loss and waste and contributing to food safety¹.
- A lack of harmonization with other EPR programs across Canada, leading to impacts which may hinder Ontario's sector to be competitive compared to those in other markets in Canada.

Unfortunately, many of the proposed changes do not directly address the above concerns as outlined by many of our members. Regarding the concerns of our grower members – those who grow fresh produce here in Ontario – we refer you to the submission to this consultation from the Ontario Fruit and Vegetable Growers Association (OFVGA) which outlines specific examples of how the current blue box program is adversely impacting the fresh produce industry in Ontario.

This is an impact which is also being felt by out of province produce growers selling into Ontario, including but not limited to the following points outlined by OFVGA:

- Disproportionate Burden on Fresh Produce Packaging: Other jurisdictions, such as California, have taken steps to <u>exempt</u> the food industry from package recycling and content requirements, recognizing the importance of food safety and quality, and prevention of waste.
- Significant Cost Impacts: Costs to collect and recycle packaging products, anticipated at over 11 times increase over 2023 levels by 2026. Concerns have also been raised that it is difficult to plan for these costs as the system is always working on the previous year's supply. Furthermore, revenue-based exemption is being applied based on total business revenue, not on revenue related to the

<sup>&</sup>lt;sup>1</sup> Role of packaging in the fruit and vegetable sector - Packaging in the fruit and vegetable sector is a necessity, creating several core benefits to society, and support for government priorities, including: 1. maintaining food safety, by protecting food from spoiling, introduction of germs, and preventing tampering in the retail environment; 2. meeting regulatory requirements, including those required by the Safe Foods for Canadians Act, which can include labelling, lot codes, etc., which also enable food recalls when necessary; 3. increasing produce quality and freshness, leading to reduced food waste along the value chain; and 4. prevention of pilfering of produce from retail displays. As fresh produce can be very sensitive to aggressive handling, temperature, and humidity, there are limited effective options to address all the functional packaging requirements. *Ref: OFVGA Submission, 2025*.



product that is packaged. Most fruit and vegetable farms are diverse, with some crops requiring packaging, and others do not.

- Administrative Burden: Administrative burden to manage and coordinate compliance with the regulation is significant. Contracting with Produce Responsibility Organization (PRO) requires ongoing management to ensure all aspects of a producer's obligations are met. The administration and cost of working with a PRO to address these circumstances is significant, and ultimately discourages farms to diversify their marketing strategies, especially in the initial phases of product development. In addition, Resource Productivity and Recovery Authority (RPRA) services and support are lacking, which during this time of transition and significant financial impact on the industry, should be an area of focus to ensure that the burden of understanding and adapting to the EPR program is not disproportionately carried by growers.
- Interprovincial trade impacts: Blue box programs are not consistent across provinces, adding to the administrative burden of provincial programs, and reducing the overall effectiveness of blue box programming across Canada.

In terms of the impacts of the proposed changes to the industry more broadly, we offer the following observations and recommendations.

### **Feedback on Proposed Amendments**

# 1. Recovery Targets for Rigid and Flexible Plastics (Response to Items 1 & 5)

Fresh produce relies heavily on both rigid plastics (e.g., clamshells for berries and tomatoes) and flexible plastics (e.g., bags for salads and grapes). The proposed changes to the recovery targets for these materials are therefore material on the fresh produce industry.

- Delaying Rigid Plastic Targets: Significant private-sector investments have already been made in
  collection, sortation, and recycling infrastructure to meet the original targets. The produce industry
  itself has also made important investments in the transition to recyclable rigid plastic packaging by
  removing non-recyclable elements and migrating to mono-material from mixed material compositions
  whenever possible. Delaying the targets may reduce investments in infrastructure and packaging
  innovation in support of higher recycling outcomes for food contact packaging such as those used by
  the fresh produce industry.
  - **Recommendation:** We support maintaining the existing recovery targets for rigid plastic. However, we recognize that regulatory uncertainty may impact calculations. Therefore, we recommend that producers not be penalized if targets are not met due to pending decisions by the RPRA on calculation methodology.
- Reducing Flexible Plastic Targets: Flexible packaging represents approximately 40% of all plastic packaging and is critical to the fresh produce sector. A 5% target, which reflects the current low diversion rate, disincentivizes investment in flexible recyclable solutions, and effectively punishes the early adopters who have invested in solutions some of whom are within the fresh produce industry and have made important investments in adopting recyclable flexible films.



• **Recommendation:** We strongly advocate for phasing in achievable recovery targets for flexible plastics. This sends a clear market signal to packaging designers, but more so to recyclers to invest in the technology and infrastructure needed to manage these materials, diverting the currently significant volume of flexible waste going to landfills.

### 2. Collection from Multi-Residential Buildings (Response to Item 2)

The proposal to remove the planned expansion of blue box services to multi-residential buildings that were not previously serviced by municipalities is problematic. Multi-residential buildings represent a large and growing share of housing in Ontario, especially in urban centres. Excluding a significant portion of the population from producer responsibility will make it impossible to meet recovery targets for any material, including the packaging used for fresh produce.

Recommendation: We recommend that the expansion to all multi-residential buildings be
maintained, but with a phased-in implementation between 2028-2030. This provides time to
properly plan and implement collection services while ensuring these materials are captured for
recycling, which is consistent with other EPR programs in Canada.

# 3. The Role of Energy Recovery (Response to Item 6)

We are concerned about the proposal to allow up to 15% of a management target to be met through energy recovery for "non-recyclable" materials. While energy recovery may have a role for true residual waste, it should not become a loophole that displaces the collection and recycling of intrinsically recyclable materials. The priority must be to maximize the recycling of valuable materials through improved package design and innovative sorting and processing technologies. Allowing incineration to count toward targets for valuable and fully recyclable materials should be avoided.

Recommendation: Energy recovery should only be considered for residual waste after producers
have demonstrated a product is intrinsically non-recyclable (e.g., mixed material packaging
construction being essential to achieving the desired packaging functionality and performance), or
that all efforts have been made to design for recyclability and implement innovative technologies
to maximize recycling yields. Furthermore, alternatives to incineration such as bioconversion or
other pathways should be given due consideration when defining what is considered acceptable
within the 15% threshold.

## 4. Ensuring Materials are Recycled (Response to Item 7)

Given the proposed delays to recovery targets, system integrity is paramount. We support the Ministry's consideration of adding an explicit requirement that all materials collected in the blue box system are sent to a registered processor. Recyclers and processors are making significant investments based on the principle that materials collected for recycling will be sent for processing, and not to a landfill.

• **Recommendation:** An explicit requirement must be included in the regulation for all collected blue box materials to be sent to a registered processor. This provides certainty and de-risks the private sector waste management investments necessary to build a circular economy for produce packaging and other recyclable materials.



In conclusion, we urge the Ministry to reconsider these proposed amendments. A more targeted and phased-in approach that supports existing investments, while better managing costs, is required. Adopting the constructive recommendations outlined above will help maintain producer and resident confidence and keep Ontario on a path to achieving its circular economy goals.

CPMA welcomes the opportunity to further discuss these challenges and support dialogue between government and fresh produce industry as you consider the above recommendations.

Sincerely,

Ron Lemaire

President

Canadian Produce Marketing Association