December 9, 2020

The Honourable Jonathan Wilkinson, P.C., M.P.
Minister of the Environment
c/o The Executive Director Program Development and Engagement Division
Department of the Environment
Gatineau, Quebec K1A 0H3
eccc.substances.eccc@canada.ca

Dear Minister Wilkinson:

RE: Addition of Plastic Manufactured Items to CEPA Schedule 1

Formal Request for Board of Review

This letter is in response to the October 10, 2020 Gazette Notice in which the Governor in Council, on the recommendation of the Minister of the Environment, proposed an Order to add "Plastic Manufactured Items" to Schedule 1 of the Canadian Environmental Protection Act, 1999 (CEPA).

We are writing to you today to take an opportunity to communicate our industry's commitment to building a circular economy for plastics, while also sharing our concerns with respect to the Government of Canada's intention to add 'Plastic Manufactured Items' to the *Canadian Environmental Protection Act*, 1999 (CEPA) Schedule 1: List of Toxic Substances.

BASF Canada Agricultural Solutions would welcome the opportunity to discuss and work in partnership on the proposed Order and would request the establishment of a <u>Board of Review</u> (under section 333 of CEPA) to review the recommendation.

About BASF Canada Agricultural Solutions

With a rapidly growing population, the world is increasingly dependent on our ability to develop and maintain sustainable agriculture and healthy environments. Working with farmers, agricultural professionals, pest management experts and others, it is our role to help make this possible. That's why we invest in a strong R&D pipeline and broad portfolio, including seeds and traits, chemical and biological crop protection, soil management, plant health, pest control and digital farming. With expert teams in the lab, field, office and in production, we connect innovative thinking and down-to-earth action to create real world ideas that work – for farmers, society and the planet. BASF Canada Agricultural Solutions, headquartered in Calgary, Alberta, has over 700 employees across Canada.

The Canadian agriculture industry is a significant contributor to our economy— with one in every eight jobs dedicated to the industry and contributing more than 6% of Canada's GDP.

We appreciate your response during your news conference on October 7th— that the Government of Canada understands and values our concerns regarding the inappropriate labelling of plastics as 'toxic' and is willing to work with our industry to address this concern. We would encourage the Government to take time after the closing of the consultation period on the notice of the order to list *plastic manufactured items* on CEPA Schedule 1, and before publishing the final order.

This approach has been used in the past to advance modest legislative changes. This targeted revision will not change your government's intent to regulate plastic waste. However, it will address a matter that requires more immediate attention and is not dependent on the uncertainties associated with longer-term CEPA reform. This recommended approach will demonstrate decisive government action, while at the same time, responsiveness to an issue that is of deep concern to our industry.

If plastic manufactured items are indeed added to the CEPA Schedule 1 it has the potential to cause irreparable reputational damage to the agriculture industry, and the public trust of the Canadian food system. The public will be left confused at a mixed message of products and packaging so essential for addressing COVID-19, climate change, clean energy, clean water, and safe, nutritious and abundant food, being part of a legislative change that at the same time, outlines those packaging solutions as 'toxic'. Moreover, we believe it will be negatively received by international investors at a time when Canada is facing a challenging economic recovery and where the chemistry and plastics industries are poised to contribute to that recovery.

The agriculture industry understands and recognizes that plastic waste is a significant global problem. We also strongly believe that our industry has a role to play in making it a solvable problem; one that benefits from a circular economy approach. That's why we continue to (a) invest in the research and development of refillable, reusable and recyclable plastics for our agriculture products, and (b) invest in partnership organizations that ensure Canadian agriculture products can be both safe and sustainable.

For example, BASF Canada Agricultural Solutions is a long-time partner of Cleanfarms – a national not-for-profit organization that delivers industry-funded, end-of-life stewardship programming in the agricultural sector. Working collaboratively with members from across the industry, partner agencies, and all levels of government, we play an active role, including a seat on the Board of Directors, within the Cleanfarms organization, to ensure that Canadian farmers can actively contribute to a healthy environment and a sustainable future. Last year alone, more than 5.5 million empty pesticide and fertilizer containers were collected through Cleanfarms programs across the country. These materials are sorted and remade into new products like farm drainage tile, and the programs Cleanfarms provide enable farmers to recycle agricultural packaging waste through programs financed and supported by partners like BASF.

Today, Cleanfarms has five programs, permanent and pilot, to recover agricultural plastic waste. The collection program for empty containers (pesticide and fertilizer) has been operating for over 30 years. Additional programs to collect non-refillable bulk containers, unwanted pesticides and old livestock medications, seed, pesticide and fertilizer bags, grain bags, and other agricultural plastics, help keep farms and rural communities clean. BASF is an active player in the seed bag collection pilot program, which was established earlier this year.

BASF Canada Agricultural Solutions, along with partners across our industry, and Canadian farmers, want to continue our efforts to be part of the solution and we look forward to working with the federal government on this important initiative.

Sincerely,

Jonathan Sweat

Nicole McAuley

Vice President, Business Management Agricultural Solutions Canada Head, Communications & Public Affairs Agricultural Solutions Canada