

Hon. Steven Guilbeault Minister of Environment and Climate Change Canada Email : ec.ministre-minister.ec@canada.ca

Hon. Marie-Claude Bibeau Minister of Agriculture and Agri-food Canada Email: aafc.minister-ministre.aac@agr.gc.ca

Subject: Concerns About the Proposed Ban on Non-Compostable PLU Labels for Canadian Fruit and Vegetable Growers

Dear Ministers:

We write to address the proposed changes outlined in the Environment & Climate Change Canada's (ECCC) Regulatory Framework Paper on recycled content and labelling rules for plastics. We are concerned about the proposed requirement for all plastic Price Look-Up (PLU) produce stickers to be compostable, thereby banning non-compostable variants. This regulation could have considerable implications for Canadian fruit and vegetable growers, impacting both the industry's sustainability and Canada's food security.

PLU stickers are integral for price accuracy and inventory management in retail environments. The International Federation for Produce Standards (IFPS) PLU system, adopted globally, facilitates product identification at checkout and assists in pricing products by weight. In essence, PLU stickers are indispensable for selling bulk produce in stores. Without these, all produce would need additional packaging for identification, which contradicts the goal of reducing environmental impact. Furthermore, for many Canadian families and seniors, buying bulk produce is an economically and environmentally wise choice.

The Canadian industry is gradually transitioning towards industrially compostable PLU stickers, as reflected in a recently formulated guide (<u>Guidance Document to Canada's Fresh Produce Industry</u>). However, the process is slow due to evolving inventory, label costs, and the availability of certified compostable labels. Other jurisdictions like France have revised their initial proposals to ban all non-compostable PLU stickers, considering trade and business perspectives. This serves as a caution for Canada against implementing a total ban at this point.

Several consequences emerge from the proposed ban:

• The proposed ban could diminish Canada's attractiveness as a market, given our relatively smaller size compared to major markets like the U.S., China, and the E.U. This could negatively



impact the supply and price of fresh fruits and vegetables, risking Canada's food security since a significant percentage of our fresh produce is imported, particularly in the off-season.

- The industry's reaction could result in increased packaging to avoid PLU regulations, unlabeled products shipped to Canada necessitating repacking and relabeling at Canadian facilities, or companies opting not to ship to Canada altogether. These measures could lead to increased product costs, passed onto Canadian consumers.
- There could be an indirect impact on food affordability and increased food waste due to decreased bulk produce sales. Especially given the current inflation, this might discourage Canadians from consuming fresh fruits and vegetables, negatively affecting public health.
- The proposed ban does not adequately distinguish between PLU stickers made of different materials, potentially encouraging the adoption of non-plastic, non-compostable PLU stickers, undermining efforts to address the contamination of industrial composting systems in Canada.
- The lack of a unified international industrial composting standard poses challenges for implementing compostable stickers, as the existing multiple standards may not be compatible with the diverse export markets.

The Canadian fruit and vegetable industry acknowledges the importance of moving towards sustainable packaging. Nevertheless, this transition must consider economic, societal, and environmental aspects to ensure the industry's longevity and accessibility to food for all Canadians. We appreciate your attention to these concerns.

Best Regards,

Since/Depuis 1922