REGULATORY C RADAR

Canada's No° 1 Source for Regulatory Updates, Enhancing Compliance & Mitigating Risk.

The Regulatory RADAR is a comprehensive advocacy report for CPCA Members Only.

ADVOCACY REPORT

4



CPCA is your partner in Compliance — *Trusted Advocacy. Proven Results.*

Members receive access to CPCA advocacy activities, regulatory news, and compliance alerts to facilitate staying ahead of the many changes in Canadian Regulations.

April 2023

- CPCA Urges the Passage of Bill S-5 As-Is at Third Reading
- Coatings and Adhesives Group (CAWG) Meeting with PMRA Officials Held on April 4th
- CAWG Industry Experts Frame and Advance Next Steps on Key Concerns with PMRA Evaluation Processes
- CPCA Follows Up on Concerns Raised During Last Month's Meeting with Health Canada Risk Managers on Proposed Regulations for MEKO
- CPCA Continues to Challenge the Adoption of CARB VOC Limits in Canada With Letter to ADM
- CPCA Supports Chemicals Industry Position on Proposed Objective Limit for PFAS in Canadian Drinking Water
- CPCA and Other Associations Write to Minister Piccini to Address Rising Program Fees for Paint Recycling in Ontario
- Members Comment on Canada's Submission to the International Legally Binding Agreement on Plastic Pollution
- CPCA Bulletin Summarizes ECCC Technical Paper on Federal Plastics Registry & Regulatory Framework Paper on Recycled Content and Labelling Rules for Plastics
- CPCA Joins Industry Efforts to Seek a Modernized Substance Query Tool
- Final Assessment Concludes Triclocarban Does Not Meet CEPA Toxicity Criteria
- Members Reminded to Comment on the Additional Risk Characterization Document for the Furan Compounds Group
- Members Given Last Opportunity to Comment on Risk Management Evaluations for LC-PFCAs and MCCPs Under the Stockholm Convention

- Study Finds Most Indoor Products Tested in Canada Contain Banned Short-chain Chlorinated Paraffins
- WHPP's "What We Heard" Report on Consumer Product Exemption Removal from the HPA Expected in Spring 2023
- CPCA Summarizes Federal Budget Released on March 28, 2023
- Paint and Coatings Working Group (PCWG) Meeting Postponed to June 6, 2023



Canadian Paint and Coatings Association

t Association canadienne de l'industrie de la peinture et du revêtement

Sustainable Coatings are the Future!

Coatings are **reliable**, **responsible**, and **recyclable**. They are also key to **protecting**, **preserving** and **providing** for our future. Contact CPCA to share how your coatings product is helping to build back better.

Share my story

Canadian REGULATORY **REPORT**



Member Action Required

Engage with CPCA to Maximize Results

Chemicals Management in Canada

Mark Your Calendars: Next PCWG Meeting Postponed to June 6, 2023 in the A.M.

ECCC has named a new paint sector lead: Catherine Choquette. Please confirm your participation with CPCA.

Industry Seeking Modernized Substance Query Tool

CPCA has been working with ICG to develop a "wish-list" of features that should be incorporated in the next version of the public Substances Search Tool. The current tool is lacking many important features (i.e. connections to the latest RA/RM publications for each substance, display of the substance's assessment status, etc.). Among others, industry is asking that the new provisions of Bill S-5 such as Schedule 1 and 2, Watch List etc. be included for each CASRN, and the tool be updated frequently.

Substances Search Tool Updated by Environment and Climate Change Canada

The Substances Search tool has recently been updated. New Excel files are available for DSL, NDSL, Ministerial Conditions, SNAcs, and New Substances Risk Assessment Summaries. Note: CPCA members can quickly access all the latest lists in the CPCA CoatingsHUB substances database.

Consultation on the Annual Regulatory Modernization Bill 2023

Topics must be submitted before May 26. CPCA and Health Canada have raised concerns in the past and CPCA will again raise the true copy issue for consideration at the next consultation.

Final Order 2023-87-04-01 Amends the DSL

It adds 17 substances (12 chemicals and polymers and 5 living organisms).

CMP-1

CPCA Follows Up on Concerns Raised During Last Month's Meeting with Government on Proposed Regulations for MEKO

On April 11, CPCA sent comments to the Health Canada ADM on the proposal to regulate MEKO with very low limits in all consumer paint coatings, as well as in gasketing adhesives and silicone sealants. CPCA restated that the proposed new limits are effectively a ban and that regulators have not taken into account the lack of an available alternative. In its rush to regulate MEKO, HC did not consider the impact of the new VOC AIM regulations that will already eliminate many consumer alkyd paint products in commerce.

CMP-3

Final Assessment Concludes Triclocarban (CASRN 101-20-2) Does Not Meet CEPA Toxicity Criteria

However, follow-up activities include further information gathering or risk assessment may be done if deemed necessary substance if required. Triclocarban has been identified in Europe as present in coatings and paints, thinners, paint removers, fillers, putties, plasters, modelling clay, finger paints, ink and toners, and washing and cleaning products.

Reminder: Additional Risk Characterization Document for the Furan Compounds Group: Deadline to Comment Ends on May 17th

The document pertains to additional sources of exposure to furfuryl alcohol (CASRN 98-00-0) and tetrahydrofuran (CASRN 109-99-9) that pose risk to human health. Members manufacturing, importing or using these substances should assess potential air releases in the vicinity of their operations. The FSAR is planned for Fall 2023.

Proposed Order to Add Crude Tall Oil (CTO) to Schedule 1

The consultation ended on April 17th. CPCA received no comments from members.

ECCC Launches Voluntary Data Collection for Quaternary Ammonium Compounds in Manufacture, Import, and Use for 2021 and 2022

CPCA asked for an update on the future RA/RM status for these compounds at the next PCWG meeting in June.

CMP Post-2020

Members Comment on Canada's Submission on an International Legally Binding Agreement on Plastic Pollution Prior to INC-2 Meeting

CPCA consulted and supported a few members' comments made on the ECCC PlaceSpeak platform to inform Canada's submission to be discussed at the INC-2 meeting in June 2023. This is the second public consultation by ECCC to solicit direction for this new global binding agreement.

Canadian Manufacturing Coalition (CMC) Members Meet with Environment and Climate Change Canada's Plastics Division

On April 25, ECCC Plastics Division will discuss the forthcoming draft framework on plastics with a minimum recycled content, labelling and a federal registry.

CPCA Submission: Proposed Objective for PFAS in Canadian Drinking Water

The proposed objective in drinking water is 30 ng/L, which is the sum of a minimum of 18 PFAS detected in drinking water. ECCC chose to implement an objective as opposed to a guideline considering the need to quickly address the health and environmental concerns in Canadian drinking water, well prior the PFAS Science Report to be published in June 2023. CPCA questioned the pressing need of the wide-scale precautionary measures and underlined several technical challenges and high-cost burdens, as well as the lack of any upstream actions in wastewaters, and misalignment with other NA drinking water standards. CPCA supported the exclusion of fluoropolymers from the definition of PFAS and scope.

ECCC Publishes Technical Paper: Federal Plastics Registry & Recycled Content and Labelling Rules for Plastics: Regulatory Framework Paper

Federal Plastics Registry: Paint and coatings will be part of requirements applicable to construction in Phase 2 (reporting of plastics reported for diversion or reused: Due June 1, 2026) and Phase 4 (reporting of refurbished plastics, plastics recycled and plastics recovered for energy: Due June 1, 2028).

Recycled Content and Labelling Rules: The proposal is to phase in voluntary, then mandatory, labelling requirements for rigid and flexible packaging by 2030 to align with the implementation and maturation of the EPR programs for packaging across Canada. Items labelled "compostable" (using green colours labelling, striping or tinting). would have to be certified by an accredited third party using three optional ASTM standards.

Reminder: Compilation of Non-confidential Information Received from the BPA Structural Analogues and Functional Alternatives

Members' views are welcome.

CEPA Regulatory Review

CPCA Urges the Passage of Bill S-5 As-Is at Third Reading

On March 20th, CPCA sent a letter to MPs urging them to avoid delay in passing Bill S-5 at Third Reading. The sooner Bill S-5 receives Royal Assent, the sooner the government can move forward with chemical assessment.

VOC Emissions and Air Quality

CPCA Comments to ECCC ADM Regarding the Adoption of CARB VOC Limits in Canada

CPCA has sent a letter to senior Health Canada officials raising the following key points:

- The proposed VOC AIM regulation by ECCC lacks justification for the imposition of the most stringent approach in North America for this segment of industry have achieved impressive VOC emission reductions in the past.
- Recent CPCA calculations revealed that the anticipated benefit of a 7 kt emissions reduction under the new Architectural Regulation based on CARB SCM 2019 is hugely 'overstated' and the estimated costs for industry is hugely 'understated.'
- The negative impact for just 'one' company reformulating 'several' key products is estimated at \$17 million, while ECCC's total 'estimated' cost is \$15 million for the whole AIM sector and 'all' 49 categories.
- The relatively low level of VOC emissions reduction expected from proposed AIM VOC Regulation will not be achieved without overburdening and negatively impacting the highly integrated two-way trade between Canada and United States and doing irreparable harm to this segment of the coatings industry in Canada.

Biocide Preservatives

Notes From the CPCA CAWG Meeting with PMRA Officials on April 4th

Members are invited to review the meeting minutes and action items highlighted by CPCA during the CAWG meeting.

Industry CAWG Members Discuss Meeting with Officials and Proposed Next Steps

On April 11th, CAWG members met to discuss top priorities to be addressed with PMRA officials as soon as possible. CPCA wrote a letter to ask for a meeting with key PMRA officials on the data gathering process used in value assessments and the new internal data call-in process policy. CAWG members will challenge the new labelling requirements by requesting the possible use of QR codes and more collaboration and alignment with the US EPA with regard to Product Stewardship and Labelling requirements. An AEATFII update workshop will also be planned later this year.

PMRA Guidance Document for Preparing SDS According to GHS for Pest Control Products

Following the CAWG meeting, CPCA obtained a copy of the detailed PMRA's technical guidance on preparing safety data sheets specifically for pest control products.

Post-consumer Paint Recycling

CPCA and Other Associations Write to Minister Piccini to Address Rising Program Fees for Paint Recycling in Ontario

Under the Act, RPRA has complete autonomy over its fees, budgets, and business plans. The Minister of Environment – who is ultimately accountable – asked associations for a letter containing background information on the cost issues. The Minister will be trying to address them directly meanwhile industry will be taking them to the Ontario Premier's Chief of Staff. Annual RPRA program costs have increased from \$2 million and 12 staff to \$30 million and 80 staff with no clear increase in waste recovery volumes. Similarly to paint manufacturers, electronics producers experienced a 691% cost increase and tire producers a 382% increase in 2020. Industry recommended to put in place free appeal mechanisms. RPRA creates their own database which is duplicative of the waste collection reporting data by PROs and acts as an Enforcement Authority. Industry recommended that the MECP administers these enforcement duties.

RPRA Amends Four Regulations Under Ontario RRCEA (Including HSP) to Remove Promotion and Education Requirements Related to Visible Resource Recovery Fees

RPRA has amended four regulations including the HSP Regulation. Businesses will continue to have discretion over whether they charge a fee to recover the cost of recycling their products. Effective immediately, RPRA ceased its enforcement of promotion and education requirements for visible fees across all materials.



Issue Tracking

Enhance Compliance Mitigate Risk

Chemicals Management in Canada

CPCA Summary of Federal Budget: Modest Fiscal Restraint While Investing Heavily in Clean Energy

The March 28th budget projects a deficit of CAD \$40.1 billion, nearly \$10 billion higher than announced last Fall. A large chunk will be spent on technologies to reduce carbon emissions and facilitate Canada's transition to a net-zero economy.

Study Finds Most Indoor Products Tested in Canada Contain Short-chain Chlorinated Paraffins (SCCPs)

Researchers at the UofT, the Green Science Policy Institute, and the University of California found SCCPs in most products purchased in Canada, despite SCCPs being banned since 2013. SCCPs are mostly used as flame retardants and plasticizers.

Proposed Order to Add Chlorocresol (CAS RN 59-50-7) to Schedule 1: RM Instrument Not Expected to Impact CASE Sector

The FSAR found chlorocresol to be toxic in 2021.

Order Fixing Fees for Registrations Related to Dangerous Goods Means of Containment

The purpose is to establish fees applicable to operators of container facilities.

Consultation on Proposed Amendments to the Cross-Border Movement of Hazardous Waste and Hazardous Recyclable Material Regulations

ECCC is consulting on proposed amendments to the Cross-Border Movement of *Hazardous Waste and Hazardous Recyclable Material Regulations* (XBR) until April 21st. They will strengthen Canada's ability to meet its obligations under the Basel Convention. In particular, the amendments will implement controls for international movements of all e-waste; implement the Basel Ban Amendment; and, improve clarity including a hybrid

approach to determining waste and recyclable materials.

Significant New Activity Notice Targeting CASRN 2122153-41-5 on the NDSL

The SNAc targets new uses of CASRN 2122153-41in consumer products and cosmetics, when present in manufactured or distributed products at more than 1%.

Workplace Health and Safety

Health Canada's New Technical Decision Trees Support Suppliers in Classifying Hazardous Workplace Products

Health Canada and CCOHS have created technical decision trees that illustrate a sequential logic flow to support suppliers in classifying the health hazards of hazardous products destined for Canadian workplaces. A second set of decision trees is in development and will follow the classification requirements of the GHS Rev7 HPR amendment.

Reminder: Register for the Virtual HC WHPP Multi-stakeholder Workshop

The workshop is scheduled for May 24 and 25, 2023. Register today!

WHPP Launches First Newsletter

HC indicates that a summary of "*What We Heard*" on the consumer product exemption removal from the HPA is coming in Spring 2023.

New Toll-free 1-844 POISON-X or 1-844-764-7669 Number Launched for Poison Centres

Learn More

International Initiatives

Members Given Last Opportunity to Comment on Risk Management Evaluations for LC-PFCAs and MCCPs Under the Stockholm Convention

Industry has an opportunity to comment directly to the Stockholm Convention Secretariat regarding draft Risk Management Evaluations under review for LC-PFCAs and MCCPs before their final POP listing. CPCA previously alerted members on the draft risk profiles which are now adopted. Members can still comment at the draft RM stage to inform socioeconomic considerations for possible exemptions. The draft RMEs will be considered at the 19th meeting of the POP Review Committee in October.

Center for International Environmental Law Publishes: Breathing Plastic, The Health Impacts of Invisible Plastics in the Air

Still, no comprehensive national or regional legally binding measures cover intentional and unintentional releases of airborne microplastics. These measures could include standards and minimum requirements for tire abrasions. In the case of synthetic textiles, measures could include maximum thresholds on the release of microplastics, a mandatory industrial pre-washing of garments, and the use of filters to capture microplastic releases. These should be combined with efforts to incentivize eco-design and provide quantitative targets for textile products.



Canadian Paint Association canadienne and Coatings de l'industrie de la peinture Association et du revêtement

Register Today!

CPCA's 110th Annual Conference & AGM - May 24 - 25, 2023

CPCA's cornerstone event provides insights on industry advances in R&D and technology, business challenges, and the economic outlook ahead.

REGISTER NOW

Federal — Provincial REGULATORY REPORT

PM Justin Trudeau Met US President Joe Biden on March 23-24

The PM announced that Canada is moving forward with a new investment tax credit for clean technology manufacturing and the leaders launched an Energy Transformation Task Force. They agreed to work together to promote trade in clean goods, including clean steel and aluminum, and continue to collaborate on renewable energy and electric vehicle supply chains, the critical minerals value chain, nuclear energy, and aligning zero-emission vehicle infrastructure.

Canadian Manufacturers' Coalition Analyzes the Net-positive of the Federal Budget 2023 for Manufacturers

- Clean Technology Manufacturing Investment Tax Credit: a refundable tax credit equal to 30 percent;
- Clean Electricity Investment Tax Credit: a 15% tax credit for clean electricity investments in non-emitting electrical generating systems, abated natural gas-fired electricity generation, stationary electrical storage systems, and equipment to transport energy between provinces.
- Extensions and expansions to the Clean Technology Investment Tax Credit.
- \$500M to the Strategic Innovation Fund for the development and application of clean tech projects.
- The clean hydrogen investment tax credit is worth \$5.6 Billion over five years.

The budget also includes \$27.2 million over five years, starting in 2023-24, to establish a Transportation Supply Chain Office that will respond to disruptions and better coordinate action to increase the capacity, efficiency, and reliability of transportation supply chain infrastructure. See additional input from the CME and Chamber of Commerce.

Order Fixing Section 23 of the Canadian Net-Zero Emissions Accountability Act Section 23 requires two Ministers to publish an annual report respecting key measures.

Special Economic Measures Enforced against Haiti, Iran and Zimbabwe

Haiti: The *Regulations* add two individuals subject to broad dealings ban and are inadmissible to Canada.

Iran: The *Regulations* add eight individuals and two entities subject to broad dealings ban. Zimbabwe: The measures prohibit persons in Canada and Canadians abroad from exporting, selling, supplying or shipping arms and related material to any person in Zimbabwe.

Fifth Canada–European Union Regulatory Cooperation (CETA) Forum Scheduled for April 27, 2023

Consumer product safety will be discussed.

Government Publishes Deceptive Marketing Practices Digest – Volume 6 Their focus was on the deceptive marketing practices of drip pricing and scarcity cues.

Adjustment to Filing Fees for Competition Bureau Merger Reviews

The filing fee increased to \$82,719.12 on April 1, 2023.

SCC Update

• SCC and BNQ Launch a New Accreditation Program for Reference Material Producers in Canada

It is based on ISO 17034 – General requirements for the competence of reference material producers.

• First Canadian Accreditation Offered to Business Continuity Management Systems Based on ISO 22301

Implementing ISO 22301 provide assurance to clients, suppliers, and regulators that companies are fully equipped to face unexpected challenges and are future-proofed for whatever comes their way.

• SCC and ECCC to Establish Rigorous Verification Oversight to Ensure Compliance with The Clean Fuel Regulations

General Health & Safety Information

- Commercial Vehicle Safety Alliance's NA Standard Out-of-Service Criteria Now in Effect
- Commit to Protect Workers on Day of Mourning: April 27, 2023
- CCOHS Forum 2023

😂 Ontario

New 2023 Budget Includes Manufacturing Investment Tax Credit

Ontario released a framework for its "Plan to Build" - a targeted approach to help businesses by offering tax relief to manufacturers and SMEs.

Procurement In Ontario: Current State-Of-Play

Supply Ontario aims to be operational by the end of 2023 to support supply chain management on behalf of government entities. "The Buy Ontario" Procurement Legislation is still not in force.

Digitalization Competence Centre (DCC)

The DCC is Ontario's knowledge centre focused on driving the digital modernization of Ontario SMEs. Interested parties can refer to their program.



Industrial Establishments Face Substantial Increase to Environmental Discharge Fees

Some proposed measures include the increased rate used to calculate duties from \$2.20 to \$9.08 per ton of discharges into water and the atmosphere.

Managing the Risks of AI in Business

Chat technologies have great potential, but also raise serious legal issues.

Employer's Duty to Intervene When Family Violence Makes Its Way into the Office

Learn More

Bill 19 Introduced

The Act regulates the work by children.

Alberta

Appeal of Bill C-69

Alberta presented its arguments to the Supreme Court of Canada regarding the '*No More Pipelines law*'.

Removing Barriers for Out-of-province Workers

The Q3 & Q4 2022 campaigns attracted 30,000+ workers to Alberta from across Canada. Reducing labour mobility costs/person/year could attract another 20,000 workers.

Use of Blue Lights Extended to Improve Highway Safety for Roadside Workers and Drivers

This follows a trial period on snowplows, tow trucks, and highway maintenance vehicles.

OHS Code Amended for Part 11 First Aid

First aid training for workers must now meet CSA Standard Z1210-17.

British Columbia

Closing the Gap: Proposed New Pay Transparency Legislation

Bill 13 introduces the duty to publish salary and wage info for job ads and prohibits asking job applicants' pay history or retaliating against employees disclosing their pay.

WorkSafeBC Policy, Regulation, and Research Department Releasing a Discussion Paper and Draft Policy on Asbestos Abatement Licensing A public hearing is set for May 10, 2023.

Paint Spill Suspected in Sidney Estuary

A creek and estuary in Sidney has reportedly turned "milky white" after a suspected paint spill nearby.

For more information on Regulatory Development in the US, EU, or Internationally consult the International Regulatory RADAR!



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