

August 8th, 2025

Honourable Mark Carney, P.C., M.P.
Prime Minister of Canada
Office of the Prime Minister
Ottawa, Ontario

Dear Prime Minister,

Re: Cosmetics & Personal Care Products Industry – Our Potential Contributions to Increasing Manufacturing in Canada & Broadening our Trade with Trusted Trading Partners

The Purpose of this Letter

Given the urgency of the times facing our country and the immediate need to strengthen the Canadian economy, Cosmetics Alliance Canada is proposing five specific actions which your government should take. These would support further domestic manufacturing of our products in Canada, secure and facilitate increased trade with trusted trading partners such as the European Union, promote innovation, and significantly improve the efficiency of regulation in our sector reducing costs to government.

We have repeatedly asked for these initiatives over many years. Both Health Canada and Environment Canada, who regulate our products and their ingredients, have been aware of them for some time but neither seem to have had the time, resources, or political direction to act on them.

We believe that our proposals are consistent with your government's election commitments, mandate letter, new directions in trade policy, and the "red tape" reduction initiative coordinated by the Treasury Board. The fundamentally changed economic reality of today makes immediate action more necessary than ever!

Who We Are

Cosmetics Alliance Canada is the trade association for the cosmetics and personal care products industry in Canada, and our over 170 member companies include brand owners, manufacturers, distributors, exporters, importers, retailers, and suppliers of goods and services to the industry. Our members range in size from the largest international companies, through medium-sized businesses, to smaller operations and start-ups. We also include over 20 custom and contract manufacturers who export much of their production and are looking to protect and leverage emerging opportunities in the current international trade environment.

Our Specific Asks

- 1. China GMP Certificates:** Immediately Adopt Recommendation #3 in the *Joint Health Canada - Industry Task Force* Report of June 2024 on the issuing of Health Canada GMP Certificates to facilitate the export of Canadian manufactured cosmetic products to China without animal testing.

This initiative would secure some \$400 million annually of current Canadian cosmetic exports to China which are now supported by temporary provincial certificates from the Quebec and Ontario governments. The issuing of Health Canada GMP certificates would also provide a significant

advantage to Canadian manufacturing over competitive manufacturing facilities in other regions and especially in the United States.

A copy of our letter dated July 11, 2024, to the then Minister of Health is enclosed and provides the background, history, and proposed resolution to this matter. Since July of 2024 when the Task Force Report was presented to the Minister, NO response has ever been provided despite a multitude of inquiries. We expect that the new Minister of Health should be able to address this long-standing issue quickly as the recommended GMP certificates are needed to secure and expand Canadian manufactured cosmetic exports to China.

2. **Approval of Various Sunscreen and Other Self-Care Actives Used in the European Union but Kept Out of Canada by a Prohibitive Approval Process:** Immediately use the new authorities provided in the *Food & Drugs Act* (or other suitable means) to approve some 11 sunscreen actives, as well as several other active ingredients used in various low-risk personal care products, that have long been approved for use in the European Union and several other jurisdictions.

It is currently cost prohibitive to bring these E.U. approved active ingredients into the Canadian market as these products are regulated in Canada in the same manner as prescription medications, including requiring unnecessary animal testing. Consequently, European based manufacturers are unable to bring these products into Canada creating both a trade issue with the European Union and making Canada overly dependent on imports from the U.S.

Additionally, Canadian manufacturers would benefit from approval of this expanded list of new and innovative active ingredients.

3. **Complete the Long-Promised Modernization of the Regulatory Framework for Cosmetics and “Cosmetic Like” Drugs & Natural Health Products**

In Canada, products that consumers view as “cosmetics” or “self-care products” have been regulated under three different sets of regulations - *Cosmetic, Natural Health, and Drug Regulations*. Each of these regulations have very different requirements, pathways to market, penalties, and so on. Consumer products including toothpaste, shampoo, and even lipstick can be regulated as a cosmetic, natural health product (NHP), or even a drug depending on product claims and the molecular origin of any active ingredients.

This problem which this creates is clearly illustrated by the following slide used by the then Deputy Minister of Health in 2017 in a briefing to stakeholders on the need for modernization:

Similar products...			
These three toothpastes are sold side by side on store shelves	Cosmetic...	Natural Health Product...	Non-prescription Drug...
	 ...does not have a therapeutic claim	 ...has a therapeutic claim <u>and</u> natural ingredient	 ...has a therapeutic claim <u>and</u> synthetic ingredients
...different rules			
Different rules	- No product review - No site licence - No inspection - No cost to industry - No adverse reaction reporting	- Expedited product review based on claims - Site licence - No inspection - No cost to industry - Adverse reaction reporting	- In-depth product review based on scientific evidence - Establishment licence - Mandatory inspections - Cost to industry (up to \$340,000) - Adverse reaction reporting
Inconsistent powers	- No recall authorities - Maximum fine is \$5,000	- No recall authorities - Maximum fine is \$5,000	- Recall authorities exist - Maximum fine is \$5,000,000

HPFB Presentation – HPFB Fall Strategic Planning Multistakeholder Consultation (Sept. 2017)

In the over 15 years in which Health Canada has been engaging industry and other stakeholders in the need for regulatory modernization for cosmetics and consumer health products, little has been achieved.

Regrettably, between COVID, continually changing departmental “priorities”, and a significant changeover in the responsible senior staff (including 7 lead Directors-General over 15 years), Health Canada never completed its’ much-touted Self-Care Framework modernization.

We are therefore asking that Health Canada be instructed to “carve out” cosmetics and low-risk “cosmetic-like” drugs and natural health products and complete this modernization for our sector. This would closely align Canadian regulation with that of “cosmetics” in the European Union and provide Health Canada with a more efficient regulatory model that will support innovation and manufacturing in Canada, as well as facilitate trade with our trusted trading partners such as the European Union.

This can be accomplished quickly for the following reasons:

- The definition of included products already exists and was recognized by Parliament in the CUSMA implementation bill (cosmetics as defined in the *Food & Drugs Act* **PLUS** the definition of products defined in CUSMA as being at the interface of cosmetics and non-prescription drugs or natural health products).
- The detailed development and consultative work necessary to enhance the *Cosmetic Regulations* to appropriately regulate these products has already been completed by

Health Canada under the Self-Care Framework and need only be incorporated into the Cosmetic Regulations as appropriate.

Additionally, this will provide the following benefits to government:

- Provide a simpler and more resource-efficient system for Health Canada including reducing the significant government resources dealing with the “regulatory shopping” encouraged by the existing model.
- Allow a single directorate within Health Canada to manage these products rather than the two directorates who currently have this responsibility (and so also eliminate duplicate consultations and unaligned regulatory initiatives which happen regularly).

Finalizing these details and incorporating them into any omnibus legislative or regulatory amendments being contemplated would be welcomed by our industry.

4. Adopting a “Best Placed Department” Approach to the Administration of Regulations as they Apply to Ingredients in Finished Cosmetics & Other Self-Care Products

The administration of health and environmental regulations as they apply to ingredients in finished cosmetics and self-care consumer products are undertaken currently by TWO separate and uncoordinated federal government departments - Health Canada and Environment & Climate Change Canada.

This is, quite frankly, an impossible situation. It has led to significant uncertainty for industry with compliance, created two competing enforcement regimes for the same ingredients and products, and resulted in ineffectiveness and ambiguity in policy direction and decisions.

Industry just wants to know if a restriction or prohibition applies to an ingredient in their product – whether it be for human health and safety or environmental reasons. There is no need to administer these regulations separately as they apply to an ingredient in a finished consumer product.

This “one window” approach would be welcomed by industry and given Health Canada’s experience and familiarity with finished consumer products, Health Canada would be our recommendation for administering both health and environmental regulations as they apply to these products.

5. Facilitating a “One Window” Approach to the Regulation and Management of Packaging & Post Consumer Waste

The current array of federal, provincial, and territorial regulations, requirements, and systems related to product packaging (i.e. plastics), as well as the collection and management of post-consumer waste, is in reality “red tape” at its best.

It is not practical for a national supplier of finished products, selling through a national retail chain, to track the sale of their products in each jurisdiction to calculate various fees for each province and territory. Additionally, applying different provincial/territorial rules for plastics and packaging

undermines efficiency and effectiveness where there is no alignment on at least a national (or even international) basis.

Although the Canadian constitution may divide the necessary legal authorities between 14 jurisdictions, that should not be an excuse preventing the establishment of a “national” or “single window” approach. A national or “one window” approach does not have to be undertaken by the federal government.

Canada already has a well-established model in Canadian Blood Services of a federally incorporated agency, owned by participating provincial and territorial governments, and run by a Board of Directors appointed by the participating provinces and territories. Although Quebec operates its own blood agency with Héma-Québec, who fully coordinates with Canadian Blood Services, Canada’s blood supply is successfully managed on a national level through a single provincial/territorial organization.

The question is, why can’t this same model be encouraged and supported by the federal government? We ask that this be pursued as part of the “one Canadian economy” initiative.

Concluding Comments

Should you or your staff have any questions, or require any additional information or materials, please feel free to have me contacted at (647) 298-1152 or dpraznik@cosmeticsalliance.ca as I am happily at your service.

With best regards,



Darren Praznik
President & CEO

cc: President of the Treasury Board
Minister of Health
Minister of Environment & Climate Change Canada
Minister of Export Promotion, International Trade, and Economic Development of Canada