



**National
Waste & Recycling
AssociationSM**
Collect. Recycle. Innovate.

NJ WasteWise Presentation
May 10, 2018
Chinese Recyclables Import Restrictions
Update & Impacts

Chinese Recyclables Import Restrictions – Update and Impacts

- What is recycling?
 - Generators putting designated after useful life materials in bins/containers?
 - Haulers collecting them?
 - Processors sorting/baling them for market?
 - Manufacturers using these recovered materials in new products?



Chinese Recyclables Import Restrictions – Update and Impacts

- Latest Chinese environmental initiatives affecting recycling:
 - Prohibitives/contaminants threshold
 - .5% now; originally proposed: .3%
 - Mixed paper and plastics outright banned
 - China suspended all recyclable/scrap imports for 1 month (May 4th through June 4th)



Chinese Recyclables Import Restrictions – Update and Impacts

- China and recycling markets today
 - Business produces about half of the material diverted from disposal and into recycling in NJ
 - There is severe turmoil in recycling markets today; so severe, your recycling operations and your bottom line will likely be affected for years to come
 - Why? China's changing/changed behavior regarding consumption of recyclable commodities



Chinese Recyclables Import Restrictions – Update and Impacts

- China’s “environmental” awakening
 - 2008 Olympics (mill closures/5 Year Party Congress/recession)
 - 2013 Green Fence
 - 2017 National Sword
 - 2017 Prohibitives standard/import restrictions
 - 2018 Operation Blue Sky
 - 2018 Recyclable Imports – 1 month suspended (for now)
 - Next “shoe to fall”??

- China’s corresponding recycling “economic” awakening
 - 250 substandard mills closed/new vision: Environmental Friendly Ecoparks
 - 2021 target to have self-sustaining recyclable feedstocks



Chinese Recyclables Import Restrictions – Update and Impacts

- Clear Vision: Recycling is here to stay; and quality will be the name of the game for all of us going forward
- Two key steps to make recycling sustainable and fulfill its promise
- #1 - All generators need to reduce contamination going in
- Question: RE: New Chinese (worldwide?) “.5% prohibitives\contaminants” standard: Can it be achieved with inbound domestic MRF/recycling center recyclable feedstocks with 25% +/- contamination?
- #2 - Improve processing “inside” the MRF/recycling center



Chinese Recyclables Import Restrictions – Update and Impacts

- We got here together; we have to work together to reduce contaminants in the materials we recycle
 - Educate, Educate, Educate
 - Government & Business need to help
- The cost of increased education, recycling programs management, labor and retro-fitting/upgrading MRF/recycling centers will be borne by all
- The value of recyclable commodities has shifted for the worse (for now); more have a negative than positive value; matching supplies to markets very difficult



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- Mixed paper and mixed plastics “banned” from China
- China’s actions = why recyclable commodity supply is out of synch with demand (a/k/a – Better than the Perfect Storm)
 - demand depressed
 - commodity supplies in surplus
 - new quality control requirements
 - higher processing costs
 - lower commodity values (esp. fiber)
 - transportation/logistics



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- Actions to take

- Sit down; talk to; work with your in-house recycling team; and hauler; and processor; this is real
- Review your operations – clean up your recyclables
 - Develop internal continuous recycling improvement protocols
- Be prepared to pay more for all aspects of this essential environmental service



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Parting thoughts

- What's in the recycling bin/what should be in the recycling bin?
- Best Management Practices for generators/recycling facilities
- The evolving ton/packaging changes
- Sustainable materials management
- Time for a Blue Ribbon Recycling Review Task Force?



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