

REDUCE, REUSE, REFORMAT?

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Recycling Markets

- Recycling is in the news.
- Recycling Centers have experienced drastic drops in commodity values
- On the outside it appears that Recycling is Doomed!

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China moves to extend ban to all materials

Posted on July 18, 2018

by [Colin Staub](#)

The Chinese government has released a proposal to completely ban imports of recovered fiber and every other form of “solid waste.”

China’s Ministry of Ecology and Environment on July 11 [posted a draft document](#) that lays out numerous regulations covering solid waste management. The official proposal serves as confirmation of [recent industry discussion](#) suggesting a full ban could be coming from China.

While China’s National Sword policy has already [shut the door](#) on most recycled plastics and mixed paper since the start of this year, higher grades of fiber have been allowed to continue to move into the country.

Fiber research firm [RISI first reported](#) on the latest import proposal, noting it would “entirely ban the import of solid waste, including recovered paper,” and would do so sooner than previously anticipated.

The proposal was released in Chinese and an official English translation is not yet available. According to



The West's





NRC Press Release – China and Recyclables, May-16-2018

FOR IMMEDIATE RELEASE

Contact: Marjorie Griek, Executive Director, National Recycling Coalition (NRC)

Phone: 720/745-0966

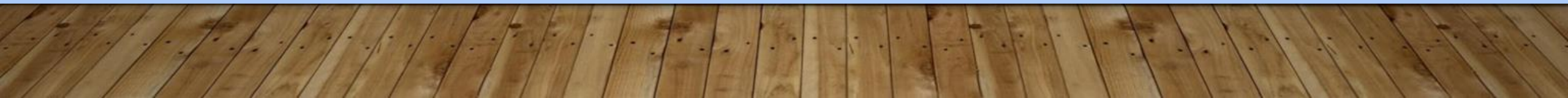
Email: marjie@nrcrecycles.org

[NRC Press Release – China and Recyclables PDF Download](#)

The China Crisis – **Whose Crisis is It?**

WASHINGTON DC, May 15, 2018 — ***It is ours.*** Recycled materials and trash should look very different from

each other, but for years they have been converging in the U.S. China has not been the creator of today's crisis in the industry – U.S. mills have been complaining for years – but China's recent embargo of U.S. recycling imports is shining a mirror on our recycling industry and providing a clear signal that we can no longer pretend diversion of waste into a recycling bin is recycling.



Two Types of Recycling

- Source Separated
- Curbside / Commingled

Two Types of Recycling

- Source Separated
(Public Drop Offs)
- Recyclers Moderately Affected
- Curbside / Commingled
(Single Bin Commercial)
- Recyclers Severely Affected





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National Sword Timeline

Green Fence Launched

First action from China to prevent some items from being exported. Many hard to recycle grades see first bump in the road.



National Sword Timeline

.05% Contamination Limit Announced

With a huge pushback from Recyclers, China moves from a .03% contamination limit to .05%

**January
2018**

China Moves Focus for Clean Materials

China Announces that exporting material will only be allowed for clean material. Many in the industry are confused as communication is poor on Yes / No items.

**March
2018**

**November
2017**

Plastic and Paper Ban

All Mixed Paper and All Post Consumer Plastics are banned from being imported into China. Material Prices plummet.

**February
2018**

.05% Contamination Limit Takes Effect

.05% Contamination Limit becomes new Standard. CCIC Inspections increase to inspect all Cardboard imported to China (About the only material now being Exported)

National Sword Timeline

China Announces Additional Prohibited Materials

Industry has already stopped shipping but it is more clear on the countries intent.

May 2018

China Resumes Shipping

Shipping opens back for Cardboard and other clean items. All Export Containers must have CCIC inspectors stamp and seal. 4 Inspectors for California Alone. Still No to Plastics

July 2018

April 2018

June 2018

Full Export Ban

May 4th to June 4th, CCIC inspections closed on West Coast and moved to China for 100% Container Inspection. Shipping Material comes to a grinding halt.

Cardboard Markets Slow for Summer

Cardboard inspections slow the industry to a snail pace. Domestic Mills at capacity with increased volume on the market. Market is only open to Companies with Contracts.

National Sword Timeline

CCIC Inspections Cause More Slow Down

Majority of Cardboard is moved in Long Beach, CA. With only 4 inspectors available, facilities experience backlogs and logistical issues.

**August
2018**

Other Asian Countries Opt Out

Malaysia, Indonesia and other Countries enact similar restrictions on imported goods. Plastic Companies moved operations to other Asian countries, and are now being pushed out.

25% Tariff Announced / 2020 Pledge

China plans to impose a 25% import tariff for all inbound scrap and recycled goods. Includes Cardboard, Paper and Metal Markets. Country pledges to be out of the scrap industry by 2020!

**August
2018**

25% Tariff Applied

Tariffs into China for Paper, Cardboard, and Metals - 25% and More.

**August
2018**

**August
2018**

National Sword Timeline

Cardboard Prices Increase / Looming Export Cut

Cardboard prices increase, in fear of Import
Licences being disrupted in December / January

Reality Sinks In

China plans to exit scrap industry - becomes more of a
reality as exports become limited despite high demand

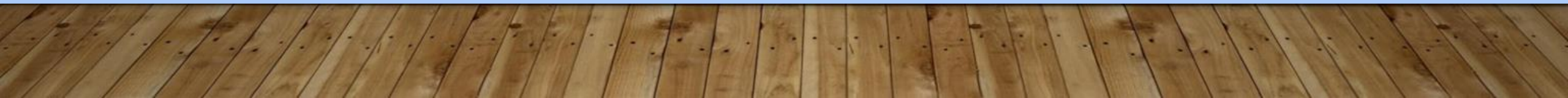
February 2019 - Present

Domestic Markets - GROW!

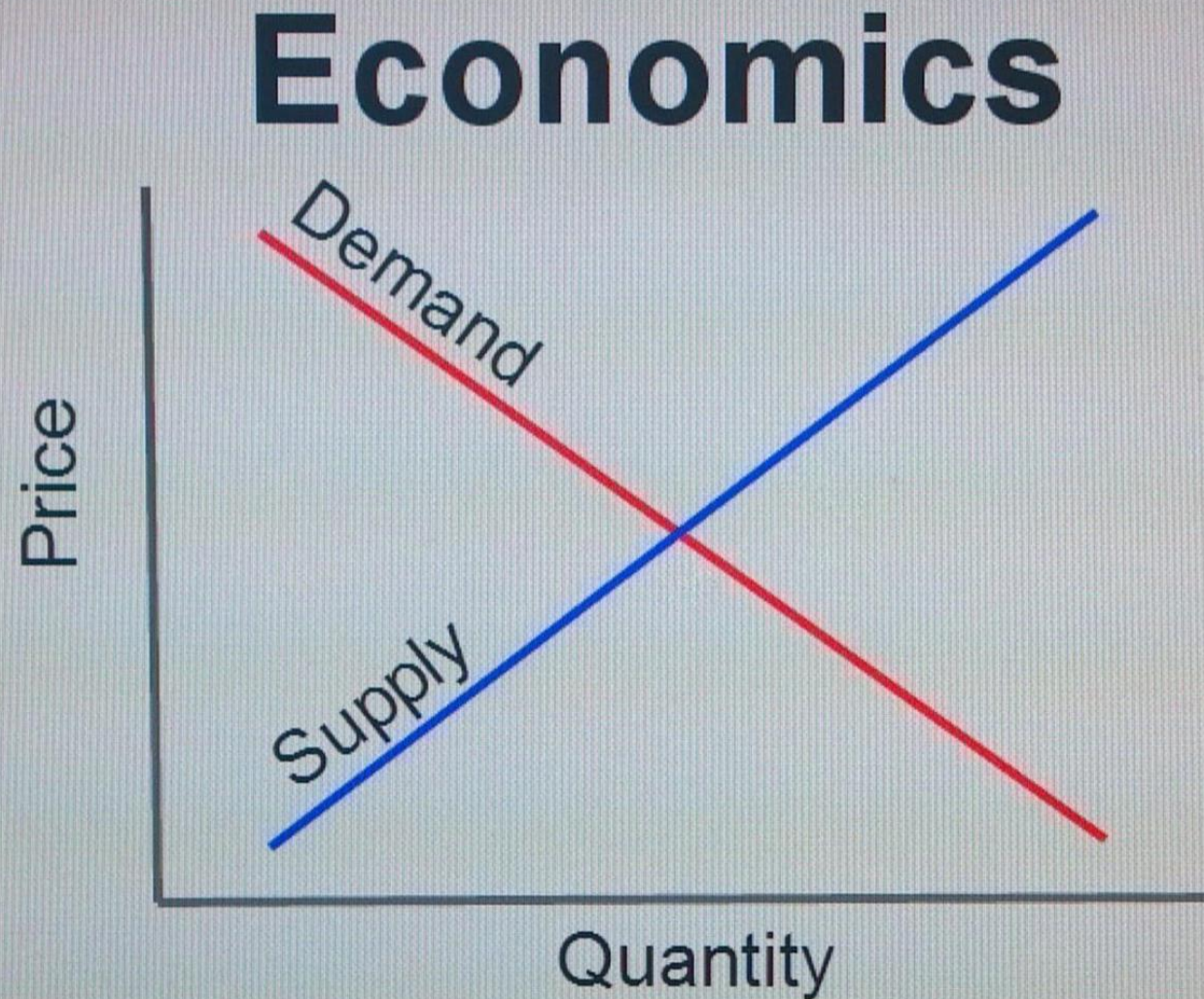
**October /
November
2018**

Recycling Markets Crash

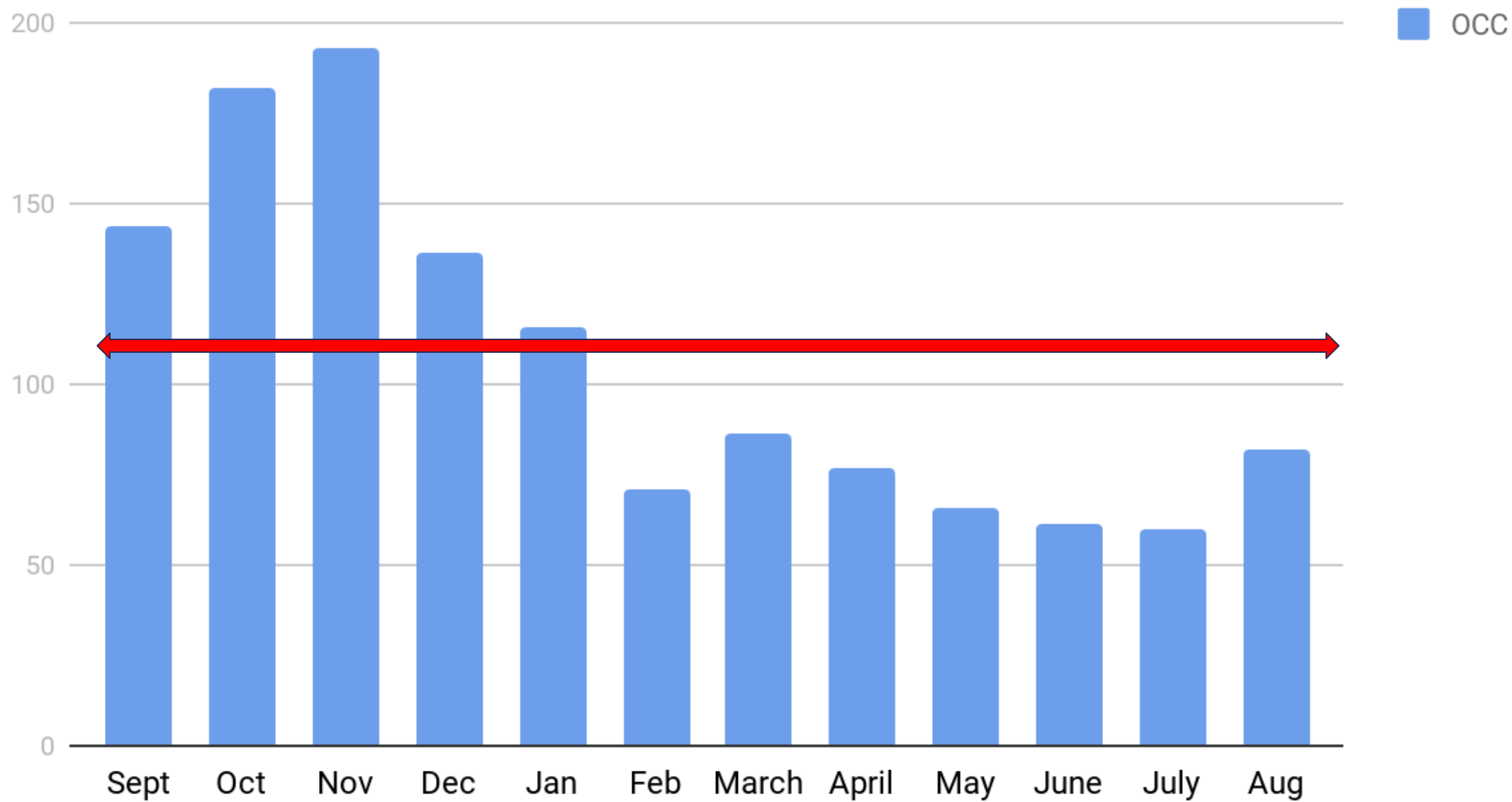
Market Pricing for Materials Plummet - China Begins Pulling out of Recycling Market



Why Did the Market Crash?



Cardboard Pricing Last 12 Months



Domestic Cardboard Market is Healthy!

- Domestic Mills investing in improved infrastructure
- New Mills are Being Built
- Closed Mills are reopening and converting to OCC.
- Increased Capacity Domestically

The Leader

Wednesday, August 28, 2019

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Paper mill to increase recycling capacity



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LATEST NEWS

State agencies take differing views on herbicide overspray

Despite protesters' videotape, with clothing and swab samples, The Washington Department of Natural Resources (DNR) has sided with the U.S. Forest Service, saying herbicide protest was not a violation of the Clean Air Act. The protest involved spraying glyphosate during an Aug. 19 protest.



Commissioner of the Department of Natural Resources

The Board of Natural Resources is sending a letter to the U.S. Forest Service and state agencies to ask for the enforcement of the Clean Air Act, such as glyphosate.

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The McKinley Paper Co. plant in Port Angeles is seen shuttered in November 2017. (Keith Thorpe/Peninsula Daily News)

McKinley Paper plans to start production in September 2019 at Port Angeles mill

By [Rob Ollikainen](#)

Tuesday, September 25, 2018 2:19pm | **NEWS** CLALLAM COUNTY



PORT ANGELES — McKinley Paper Co. has announced that it will start production in September 2019, ending a curtailment for the mill on Ediz Hook that began in April 2017.

Company officials announced late Monday plans to produce 250,000 tons of



The Rebirth of Cardboard Production in America

China's import restrictions have been a boon for American paper companies making new cardboard out of used boxes.

Waste360 Staff | Mar 25, 2019



BRIEF

NERC: Recycled paper capacity increasing at 17 North American mills



Credit: [AlexiusHoratius](#)

AUTHOR

[Katie Pyzyk](#)
[@_PyintheSky](#)

Dive Brief:

- The Northeast Recycling Council [released a list of 17 North American paper mills](#) that have announced an increase in their capacity to process recycled paper. The list includes 15 in the U.S. and two in Mexico.

PUBLISHED



Utah's new paper mill could change the future of local recycling

By Kim Bojórquez, KSL | Posted - Jul 11th, 2019 @ 8:00am

8 photos

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SALT LAKE CITY — In the last five years, the use of cardboard has grown by 40% due to the booming e-commerce industry. A paper production company, Crossroads Paper, is looking to change the way Utahns recycle their cardboard.

Crossroads Paper has plans to construct a recycled-paper mill in Utah, expected to open in early 2022, the company announced Wednesday afternoon at the Red Butte Garden in Salt Lake City.

What does Wyoming Need to Know?

- Cardboard Markets will improve.
- Investment should be on Cardboard over all other materials
 - Increased usage.
 - Large percentage of recycle stream.
 - Amazon Effect.
 - Large footprint.
- Avoid Storing Loads - Keep Product Moving

What does Wyoming Need to Know?

- Keep your Cardboard Clean

Poor Quality Grading 5-10%



Fair Quality Grading 3-5%



Good Quality Grading 2-3%



Excellent Quality Grading 1-2%



A large, dense pile of shredded cardboard boxes, illustrating the volume of waste generated by e-commerce. The image shows a massive stack of flattened and torn cardboard, with various labels and markings visible on the fragments. The sheer volume of the waste is emphasized by the height and density of the pile.

Impact on Domestic Markets.

**Domestic
Supply
Abundance**



**Domestic
Recycling
Capacity**



**Lower Overall
Value for
Recyclable
Materials**

Reformat Cardboard

Focus on Cardboard

- Cardboard is the grade of the future. Many packaging companies are switching to brown grades to make packaging more recyclable.
- If your recycling program is suffering: Discontinue Plastics / Mixed Paper but keep the Cardboard.
- Online Shopping (Amazon) is creating excess cardboard and is a growing stream that is easier to capture than some items and is Growing!

Reformat Recycling

Reduction of Accepted Materials

Simplify Recycling by only accepting the “Basics”. Recycling many off grade items will be difficult to recycle.



Cleaner Material

Mixed Grades and Dirty Materials are out. Industry will need to adapt and create better packaging products that are more easily recyclable.



Return to Domestic Markets

Industry will adapt and in 1-3 years processing and manufacturing will increase to Local Markets in North America.