

# Recycling Markets Update

CRUEDA Committee Presentation

Seattle Public Utilities

May 31, 2019



# Context - Two Major Elements of Recent Global Recycling Challenges

Recycling Import limitations by China and others (*on mixed paper & mixed plastics*)

International concern on plastic pollution (*on land and sea*)

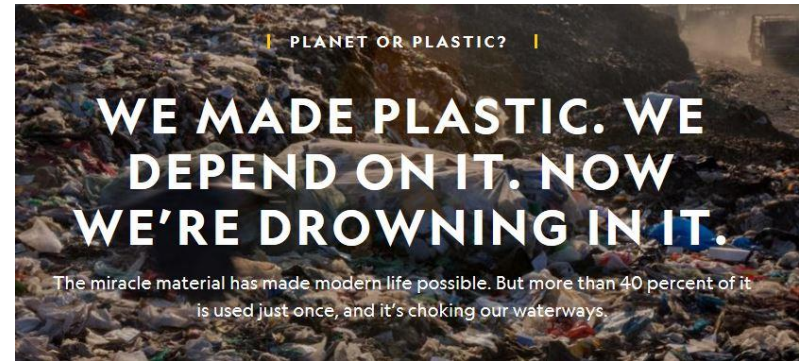
OLIVER MILMAN SCIENCE 02.27.19 08:00 AM

## SINCE CHINA'S BAN, RECYCLING IN THE US HAS GONE UP IN FLAMES

### Hundreds of US cities are killing their recycling programs

China stopped importing trash from other countries. Now, many US are facing a recycling crisis.

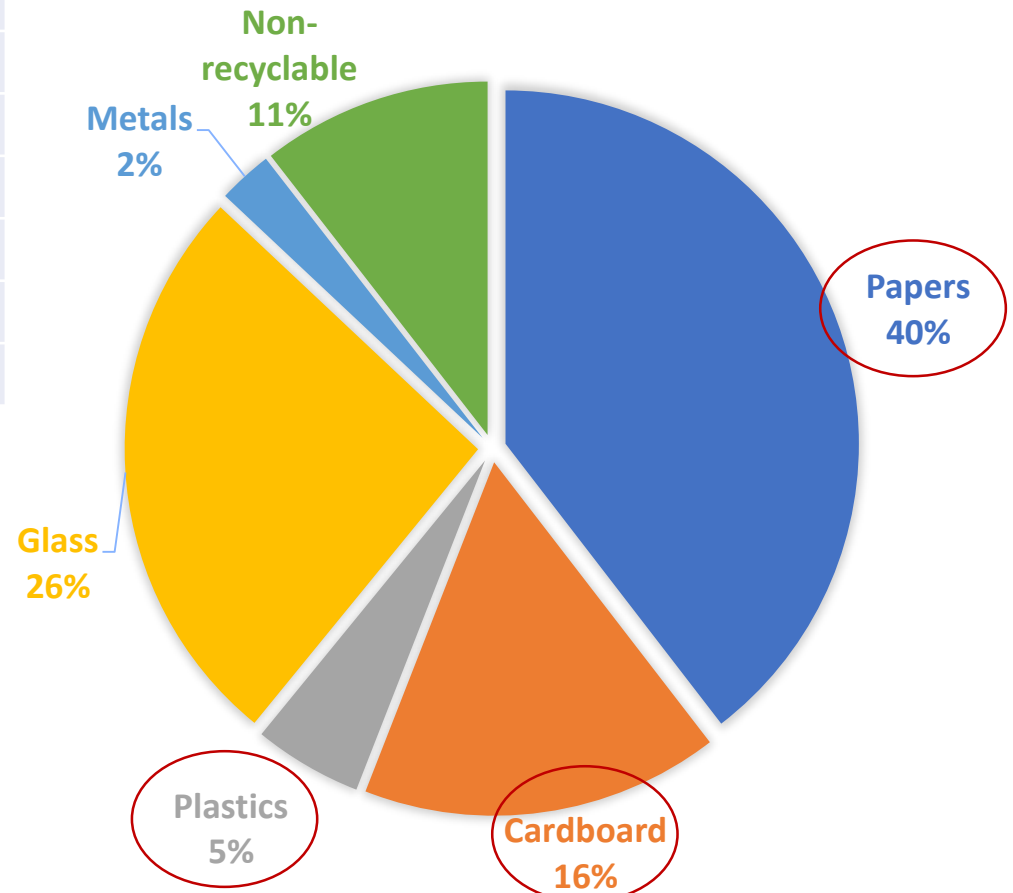
By Chavie Lieber | @ChavieLieber | Chavie.Lieber@Vox.com | Mar 18, 2019, 4:30pm EDT



### *Plastics Pile Up as China Refuses to Take the West's Recycling*

# Background - What's in Seattle's recycling?

Material	Tons/Year
Papers	35,000
Cardboard	14,500
Plastics	4,400
Glass	23,100
Metals	2,200
Non-recyclable	9,300



# Background - How does Seattle's Recycling Get Processed?



Seattle contracts with Republic Services to process residential recycling.

SPU pays a processing fee per ton (under 6-10 year contract).

Republic processes with high-tech sorting systems plus manual support.

Republic markets and sells the commodities.

Seattle retains 100% of the market value for the commodities.

# Background - Global Recycling Changes

- China stopped importing **mixed paper** and **mixed plastics** in **2018**
- **Market values for paper dropped** significantly in response to global shifts in supply and demand.
- Other **Asian and North American** markets expanded, while **China continues to be the largest buyer** of paper scrap, further downstream, and influencing the market at all stages.
- Prices remain low and all buyers have **elevated standards for scrap products**.
- **Plastic pollution concerns and responses heightened** across the globe, including land and sea debris, dumping and incineration.



Material	Tons/Year	2017 \$M/Year	2018 \$M/Year
Papers	35,000	\$3.0	\$1.0
Cardboard	14,500	\$2.1	\$1.2
Plastics	4,400	\$1.3	\$1.0
Glass	23,100	\$0.3	\$0.3
Metals	2,200	\$1.2	\$1.2
<b>Total</b>	<b>88,500</b>	<b>\$8.0</b>	<b>\$4.7</b>



# Sorting Facility Response to Global Challenges



- Improve **bale quality and bale types.**
- Reduce **sorting speeds, increase staffing,** and invest in additional **sorting technologies.**
- \$1.5M sort upgrade in 2018, in addition to major 2016 upgrades.
- Expand **Asian and domestic markets** and destinations.

# Seattle Response as Contract Administrator



## Monitor & enforce

- Monitor & enforce contract terms
- Prohibit landfill disposal of Seattle's recycling
- Standards for high value commodity products



## Support

- Support domestic partnerships
- Build connections with local plastic and paper opportunities



## Own Market Risk

- Absorb the gains and losses of market value

# Where does Seattle's Recycling Go in 2019?

- Republic, and other local facilities, have significantly increased shipment to **domestic markets for mixed paper and plastic**.
- **U.S & other Asian ports** expanded processing capacity.
- **China** continues to remain the **largest downstream buyer** and influencer in scrap paper market.
- Strong **local markets** continue in Seattle for **metals and glass**.

Republic Seattle Facility			
Material	Tons/ Yr	2017 Export	2019 Export
Paper	35,000	98%	<60%
Cardboard	14,500	60%	<20%
Plastics	4,400	85%	<20%
Glass	23,100	0%	0%
Metals	2,200	0%	0%
<b>Total</b>	<b>88,500</b>	<b>65%</b>	<b>&lt;35%</b>





# Seattle Leadership & Action - in Response to Global Recycling Challenges



## SPU/King County Plastics Summit 2018

Hosted public-private partnership to **identify challenges and solutions.**

SPU facilitated **expanded regional processing of mixed plastics**

**Follow-up actions** for partnerships, tracking, legislations, regulations.



## SPU/King County Responsible Recycling Task Force 2018

SPU/King County hosted 11-month **regional committee** of leaders from government, industry and elected officials **to prioritize response.**

Detailed regional **action plan**, timelines and responsible parties



## Ongoing public-private-NGO partnerships with key national and international players

Sustainable Packaging Coalition  
Product Stewardship Institute  
The Recycling Partnership  
Pacific Coast Collaborative  
WA State  
Zero Waste Washington  
Regional Cities & States



# Responsible Recycling Task Force 2018

## *Comprehensive Regional Approach:*

1. Establish Responsible Recycling **Policies**
2. Develop **Local Recycling** Infrastructure
3. **Harmonize** Recycling Programs & **Messaging**
4. Increase **Demand for Recycled Materials**
5. Create **Clean & Marketable Feedstocks**
6. Improve **Upstream Design**



# Responsible Recycling Task Force - Sampling of 20 Action Items

## Legislative Action:

- Support **legislation** that promotes the use of **innovative technologies** and/or processes to help develop and build **local recycling infrastructure** and market development:
  - ✓ **WA Sustainable Recycle Act** (HB 1543) recently adopted to create Recycling Development Center.
- Support state **Plastics Packaging Stewardship** legislation; establish **recycled-content legislation** to requires that certain products be made with a certain amount of recycled material:
  - ✓ **WA Plastic Packaging Act** adopted as a Study Bill to assess impacts of plastics packaging and consider **product stewardship** and other sustainable management, *including 20% recycled content in packaging*



# Responsible Recycling Action Items, continued:

## Local Processing and Markets:

- Pilot projects to encourage the **domestic recycling infrastructure**.
  - ✓ *Encouraged shift to all **domestic processing for Seattle plastics***
  - ✓ *New pilots with KC and others for regional **poly-coated cartons and other materials**.*
- **Expand statewide plastic bag/film retail drop off** options through Wrap Recycling Action Program (WRAP)
  - ✓ *Seattle/KC working to **expand film & bag drop-off** in greater Seattle*
- **Support of local of markets** for paper, plastic, and compost.
  - ✓ *KC/Seattle and other stakeholder support through **LinkUp program**.*
  - ✓ *Outreach and requirements to **reduce low value/high-contamination single-use packaging** and materials.*



# Recycling Action Items, continued:

- **Customer outreach** - Continue the Communication Consortium for **unified messaging about curbside recycling** to Seattle & King County residents.
  - ✓ *SPU and others expanding regional **Recycle Right** messaging.*
- **Downstream impacts** – Begin monitoring **chain of custody** for adherence to recognized **environmental and human health and safety standards**.
  - ✓ *Increased global pressure in 2019 for **manufacturers and processors on responsible management**, including recent **Basel Convention** updates.*
  - ✓ *Seattle & KC and other cities contributing to **new monitoring research and options**.*



# Recycling Action Items, continued:

- **Sustainable Packaging** - Engage with the **Sustainable Packaging Coalition** and How2Recycle programs to **educate brands and packaging designers** on recyclability of packaging, the use of recycled materials in packaging, and designing packaging that is less toxic and more recyclable (e.g., no PVC plastic).
  - ✓ *Sustainable Packaging Coalition **Conference in Seattle April 2019***
  - ✓ *Continue partnerships to support SPC's national and regional efforts and **voluntary adoption by industry.***



# Reaching Seattle Customers in 2019

- Recycling still works

- Supporting customers with effective recycling information and tools - **Regional Recycle Right Campaign**



- All recyclables need to **Empty, Clean & Dry**
- Only put **what's accepted** on our guides in the cart

## Waste Prevention works even better

- Supporting customers to **reduce single use packaging**, food scraps, and other consumer wastes.

# Questions?

