

RECYCLING NEWS BULLETIN

June 2018



As valued customers committed to recycling, we are providing this important recycling update.

Background

For the past year, the global recycling industry has been adjusting to a series of changes to China's policies related to importing recyclables. Previous import actions, such as the Chinese "Green Fence" (2013) impacted the flow of plastics into China; however, the policy announcements over the past year have much broader implications to all aspects of recycling across the globe. As recently as May 2018, China announced a one-month suspension of all commodity imports from the U.S. Although this suspension has ended, the market disruption caused by the suspension exacerbated an already difficult market situation, dramatically impacting recyclers' ability to move materials.

Recycling and the Public Trust

Our customers tell us that recycling is an important value in their communities. Consumers want to do the right thing for their local communities and the environment, and recycling gives them that opportunity by giving commodities a second life. As a service provider, Waste Management values the trust communities place in us to process and recycle materials responsibly and keep recycling economically sustainable. Working together with our customers, we will continue our focus on educating consumers to recycle right and reduce contamination as we face this global recycling challenge.

Impact of Global Market Conditions on Local Recycling Programs

China's import restrictions have eliminated the world's largest market for Mixed Paper and Mixed Plastics, forcing recyclers to find a new home for over 13 million tons of materials per year. This over-supply of material ultimately impacts recycling programs in communities across the U.S. since the paper and plastics that were previously shipped to China are now competing for limited markets. As the largest volume of material recycled, finding markets for paper is critical.

How can we work together to address the new recycling norm?

Because markets - both domestic and export - require high quality recyclable materials with little to no contamination, we need to work together to reduce contamination and improve quality. Waste Management remains committed to continue to work with customers to improve the quality of material we collect and/or process. Below are some ways we can work together to educate, enforce, and reset the recycling market.

- **Practice and share recycling tips at every opportunity** - Waste Management's education and outreach website [Recycle Often. Recycle Right](#)® has tips and tools to help customers reduce and eliminate contamination.
- **Make recycling work** - Be transparent with constituents about keeping recycling sustainable in your community. Engage your residents to help find solutions and maintain their trust in the recycling process.
- **Enforce quality requirements** - Expand recycling education and adopt consequences for not recycling properly to drive behavior change - we need to keep reinforcing the message about the importance of recycling the right things correctly. Waste Management will continue to help educate customers to reduce contamination - and we also will take necessary steps to seek the recovery of increased costs to keep recycling economically sustainable.
- **Market Reset** - Market quality requirements and depressed commodity values necessitate a holistic market reset to reflect the new 'norm.' The cost of collection and processing has always exceeded the value of the commodities; however, this cost has never been transparent to consumers. And current quality requirements are driving up processing costs at MRF's. Every community and every recycler is impacted. It is time for a paradigm shift regarding the business of recycling.

Resources for Recycling Industry News

[Recycle Often. Recycle Right.](#)®

[WasteDive](#)

[Waste360](#)

[Resource Recycling](#)

[Waste Today](#)



THINK GREEN.®