Paper Recycling Is a Success Story

A strong market for paper recycling is the foundation of our industry’s voluntary investment in building the commercial paper recycling infrastructure. That investment, as well as the commitment by millions of Americans who recycle every day, drives consistently high paper recovery for recycling in the U.S.

In 2014, 96 percent of Americans had access to community curbside and/or drop-off paper recycling programs.

In 2018, the U.S. paper recovery for recycling rate reached 68.1 percent.

The paper recovery rate has more than doubled since 1990. For each of the past ten years, the recovery rate for paper and paper-based packaging met or exceeded 63 percent.

China’s National Sword Policy

On January 1, 2018, China implemented a ban on the importation of 24 categories of recyclable materials, including unsorted waste and scrap paper—what the U.S. industry describes as “mixed paper.” Then, starting March 1, 2018, China changed the contaminants control level for all other recovered fiber imports from 1.5 percent to a very restrictive 0.5 percent. This is a far tighter contamination limit than is established by the U.S. Institute of Scrap Recycling Industries (ISRI) or generally practiced around the world.

Chinese paper mills have long used recovered fiber imported from the U.S. to manufacture new paper-based packaging and other paper materials. Therefore, China’s actions have disrupted the overall recovered fiber market in the U.S. and other major recovered fiber-generating regions. The largest impact has been to the mixed paper category. The disruption brought attention to some problems with the current recycling system, including poor quality of paper collected from certain recovery streams.

AF&PA Opposes Artificial Barriers to Trade

Recovered fiber is a commodity that should retain its access to free markets that allow the flow of fiber to meet the needs of users who value it the most. China’s ban on imports of certain recovered fiber and other recyclable materials violates the World Trade Organization (WTO) Agreement on Technical Barriers to Trade and other WTO rules. The U.S. and other governments have questioned China about its recyclable materials import restrictions on a number of occasions in the past two years. AF&PA filed comments with WTO, the Chinese government and the U.S. Trade Representative. We argued China has mischaracterized recovered paper as ‘solid wastes’; is taking restrictive action not proportional to the intended policy objective; is favoring its domestic industry over imports; and has not provided enough time for U.S. operators to adjust to the new recovered paper import regime.
**How the Industry and the Markets Are Adjusting**

Fortunately, recovered fiber markets are complex, efficient and dynamic. The paper and paper-based packaging industry continues to innovate and adapt to market demands. Despite China’s restrictions on recovered fiber imports, total U.S. exports of recovered fiber increased 4.2 percent in 2018.

Processing improvements in development—new technology and investment in repulping capability—will enable mills to access more fiber from marginal-quality streams. In addition, some processors are making changes to better sort comingled materials to reduce contamination and increase fiber quality. Several paper companies are also expanding manufacturing capacity that will create additional domestic demand for recovered fiber.

Increased awareness of the importance of quality in processing recyclable materials is causing municipalities to improve the performance of materials recovery facilities (MRFs) and improve their curbside collection systems. And public and private sector recycling companies are renewing their focus on educating consumers to combat contamination in residential single-stream collection systems.

**Where AF&PA Stands**

AF&PA supports work to improve the quality of recovered fiber in the marketplace. We support public-private partnerships that increase communities’ capability to improve the quality and quantity of recyclable materials produced by MRFs. And we support education to improve consumers’ recycling behavior.

Our goal is to ensure a continuing, expanding domestic recovered fiber supply to help meet global demand. We believe market forces should guide paper and paper-based packaging recovery and recycling systems to promote waste reduction. The collection, processing and utilization of recovered fiber should be done in a way that enables it to go to its highest value end use.