



## OREGON REFUSE & RECYCLING ASSOCIATION

### China set to ban import of many recyclable materials by 2018

- Beijing notified the World Trade Organization in July that it plans to **ban the import of 24 varieties of solid waste and recyclables**, including types of plastic, unsorted paper, and metals commonly sold by U.S. recyclers.
- The ban is part of a broader Chinese customs program called “Operation Green Fence,” which began in 2013, aims to reduce waste importation and contamination of recyclable materials. The latest phase of this operation is called “**National Sword**,” which increases enforcement and bans the import of many materials.
- Wastes and **recyclable materials are the sixth largest U.S. export to China**. U.S. recyclers, particularly on the west coast, have relied on demand from the Chinese market to sustain their operations.
- The import **ban is set to enter into force by the end of 2017**. If implemented, National Sword’s ban will massively disrupt the U.S. recycling industry, leaving no outlet for many materials mandated by collection programs throughout the United States.

### U.S. recycling sustainability has relied on demand from China

- The United States runs a massive trade imbalance with China, and there is little demand at ports for space in shipping containers returning to China. **Historically, the trade imbalance and shipping space has been filled by the solid waste and recycling industry shipping recyclable materials for use by Chinese manufacturers.**
- The dynamic has allowed for a sustainable U.S. recycling industry, which has an abundance of the scrap metal, paper, plastic, rubber and electronics that Chinese recyclers and manufacturers require.
- It’s often much cheaper to ship recyclable materials from the U.S. to China than to transport the same materials a fraction of the distance domestically by road or rail.

### Threats and challenges for U.S. recycling

- U.S. recycling will be heavily impacted by China’s import ban. For many materials collected by U.S. recycling programs, sufficient markets and processing capability do not currently exist outside China.
- **U.S. recycling programs mandate the collection of many recyclables, which will have no market value or capability to be processed.** U.S. mills and producers are operating at capacity. The surplus of materials from mandated recycling programs will drive prices for recyclables to historic lows and leave others with no clear destination.
- Markets in China and elsewhere remain for higher grade recyclables and recycled commodities. **The ban presents both an opportunity and a necessity to review curbside recycling**

**programs and improve their quality.** Communication across the recycling supply chain will be key during the imports ban, extending from collector to end user.

- China's ban on waste and recyclable imports will bring many challenges for the U.S. recycling industry.
- Working together, Oregon's recycling system will survive this challenge.

## **ORRA believes in recycling!**

### **Sources:**

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