



Central Contra Costa Solid Waste Authority

Agenda Report

TO: CCCSWA BOARD OF DIRECTORS
FROM: DAVID KRUEGER, EXECUTIVE DIRECTOR
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DATE: DECEMBER 14, 2023
SUBJECT: RECYCLABLE MATERIALS POLICY CONSIDERATIONS

SUMMARY

As RecycleSmart continues to develop a 2027 franchise plan, the Board will face policy decisions regarding what to include and publicize on a list of recyclable materials.

Relatedly, public concern about what happens to our recyclables has been increasing due to reports of limited environmental and public health protections abroad. One California city has chosen to change the marketing of their recyclables to help address these concerns.

RECOMMENDED ACTION

1. This report is provided for information only. No Board action is required.

DISCUSSION

Acceptable Recyclables

Some materials on our current list of acceptable recyclables are difficult to recycle: plastic bags, film plastic, plastic containers #3 - #7, and plastic containers #1 and #2 that are not bottles, jugs, or tubs (e.g., clamshells, strawberry boxes). The only plastic items on our current acceptable recyclables list that are readily recyclable are plastic bottles, jugs, and tubs #1 and #2. We recently removed cartons from our list of acceptable recyclables because they are difficult to recycle.

We will issue a competitive RFP for recyclables processing in 2024, and different processors recover and market different materials. Some processors may propose to recycle more materials, potentially for a higher price. Other processors may not want to accept materials that are difficult to recycle. The Board will have a policy decision to make about whether or not to continue to collect recyclables for which markets are not always available, and about how much to ask ratepayers to pay to recycle marginal materials. These decisions may also be affected by policy considerations regarding shipping questionably recyclable material overseas, as discussed below. One option is to continue to collect our current "long list" of recyclables (potentially plus more) knowing that sometimes some of those

collected items won't actually be recycled. Another option is to adopt a "short list" of only those recyclables with strong, consistent markets, and no longer accept some of the materials on our current list. Attachment A shows our current list. Attachment B shows a list developed by the California Statewide Recycling Commission in 2021 as part of its Policy 20-15, which recommended that the State identify a single standardized acceptance list for all California recycling programs, and which identified just 15 items considered at that time to be widely recyclable in the State.

California's comprehensive packaging EPR law, SB 54, will eventually decide which recyclable materials must be collected and processed. On January 1, 2024, CalRecycle is scheduled to publish a list of materials considered recyclable and compostable in California. Every jurisdiction in the State will be required to collect and process the materials on this list. The list will be updated each year. This is a minimum list, and the Authority could still decide to collect and recycle additional materials that aren't on the State list, if we have a processor that can recycle them. By 2032, all single-use packaging and plastic single-use foodware sold in California will have to be either recyclable or compostable. This is intended to simplify and standardize recycling. The final SB 54 regulations are scheduled to be adopted by January 1, 2025.

International vs. Domestic Markets

China's National Sword policy helped uncover concerns with foreign recycling markets. Although concerns with the overall recycling system were not new, when China started banning the import of certain recyclable materials and imposing very strict contamination standards on any remaining imported recyclables, jurisdictions learned that their recyclables were perhaps not as desirable as they had believed. Awareness grew about the contamination of bales with trash, and the sometimes poor handling of recyclable materials in countries with potentially inadequate labor, public health and environmental regulations. With more news coverage on the topic of recycling, the public became more interested in, and more concerned about, the ultimate fate of our recyclables. At community events in our service area, staff often gets questions from the public about what happens to our recyclables. Unfortunately, some members of the public do not even believe that most of our recyclables actually get recycled.

The problem of waste, particularly plastic waste, entering the water, air, and soil is by now well-known. Stories of what can happen to waste and recyclables abroad – dumping in informal, open pit landfills, burning, materials escaping to water bodies, and even dumping at sea – have received more and more media coverage.

Typically, local jurisdictions want to, or have been required by the state to, increase their recycling rate. In addition, materials recovery facilities (MRFs) have a limited amount of space to store materials. Between the requirement to meet high recycling rates and the need to continuously move bales out of their facility, MRFs are often motivated to sell material anywhere they can.

As much of the manufacturing that used to take place in the U.S. has moved overseas, so have the re-manufacturing plants that recycle materials such as paper and plastic. The Authority's service area is located near the Port of Oakland, which facilitates cargo ship transportation of recyclables to international markets versus overland transportation to domestic markets.

In recent years, lawmakers have begun to recognize a need to ensure that materials are sold to countries or facilities that can responsibly handle them. In SB 54, the definition of “recycling” includes a statement that “(t)o be considered recycled, covered material shall be sent to a *responsible end market*.” (PRC sec. 42041(aa)(3).) Although the term has not yet been defined, CalRecycle must complete a needs assessment that will, among other things, evaluate the availability of responsible end markets (however it is eventually defined in the regulations), as well as identify measures to avoid and minimize environmental and public health impacts on communities where recycling occurs. (PRC sec. 42067(e)(2)(K).) CalRecycle anticipates releasing the first needs assessment in late 2025.

Several years ago, the City of Palo Alto began to inquire about the ultimate destination of its recyclables. The city’s journey has been sobering, as despite concerted efforts, they were never able to determine which international facilities received their materials. This is because recyclables brokers consider buyer information to be confidential, and will not release it to the city, or even to the MRF operator where the materials are processed. Palo Alto staff explained in a report to their City Council that, therefore, “it has not been possible to determine with certainty how much of the materials are being recycled, if the materials are being managed in an environmentally sound way, or whether the conditions at the international locations are causing any human health or social problems.” After a three-month pilot program, Palo Alto’s City Council decided to amend their franchise agreement to send more of their recyclables to domestic facilities “where they will become new products, rather than sending them to international markets where their processing, disposition and impacts are uncertain.” The cost for this amendment is not to exceed \$1,200,000 per year, or \$2.79 per residential customer per month. Now, only clamshell food containers and cardboard are exported.

Mt. Diablo Resource Recovery has stated that for RecycleSmart recyclables, typically glass and metal are sold in the US, plastics are sold both domestically and overseas to various countries in southeast Asia, and cardboard and paper are currently sent to international markets although some potential domestic markets have been identified. The list of destination countries can change month to month.

As RecycleSmart considers the structure of our new franchise agreements, there is an opportunity to reconsider policies on the export of recyclable materials.

For more information on Palo Alto’s efforts, and some media coverage discussing recyclables exports, see Attachments C-G.

ATTACHMENTS

- A. Exhibit E, “List of Recyclable Materials,” from current MDRR franchise agreement, May 16, 2014
- B. “California Statewide Recyclables List,” California’s Statewide Commission on Recycling Markets and Curbside Recycling, Policy Recommendations Report, submitted June 25, 2021
- C. City of Palo Alto Staff Report dated 12/12/2022
- D. “This California city asked where its recycling went. The answer wasn’t pretty.”
- E. “Countries Tried to Curb Trade in Plastic Waste...”
- F. “Latin America Urges US to Reduce Plastic Waste Exports to Region.”
- G. “EU Nations reach major breakthrough...”