NWRA Submits Comments to the World Trade Organization on China’s proposed ban on the import of certain scrap materials by year end

Arlington, VA (September 31, 2017) –

To WTO/TBT National Notification and Enquiry Center of the People’s Republic of China

Tel.: + 6 10/ 4603 50 Fax: + 6 10 4603 11

Email: TBT@AQSIQ.GOV.CN

and

The Ministry of Environmental Protection of the People’s Republic of China

Re Comments Regarding TBT Notification 17-30, G/TBT/N/CHN/1211 entitled Catalogue of Solid Wastes Forbidden to Import into China by the End of 2017 4 classes, 24 kinds 2 pages, in Chinese

The National Waste & Recycling Association NWRA is respectfully presenting comments in response to the notification to the World Trade Organization on July 1, 2017 by the Ministry of Environmental Protection MEP of the People’s Republic of China. This notification announced MEP’s intent to ban the import of certain scrap materials by year end Notification G/TBT/N/CHN/1211. NWRA is a not-for-profit trade association representing private solid waste and recycling collection, processing and management companies.

This ban will significantly impact the recycling industry in the United States as well as on the Chinese manufacturing that relies on these recycled materials. We respectfully request that the Chinese government reconsider this ban. Further, we support high quality standards for recyclable materials and support policies to achieve them. Ultimately, we believe that by using high quality standards, China ensures that its manufacturing sector has the raw materials needed to continue to produce goods while ensuring that the recycling industry remains viable into the future.

Items of concern

The health of the residential and commercial recycling industry in the U.S. is dependent on a robust export market. Although the filing had numerous items listed, NWRA is particularly concerned with the following materials

Plastic waste from living sources:
3915100000 – Polymers of ethylene
3915901000 – Polymers of propylene
3915909000 – Other plastics

Unsorted waste paper:
4707900090
These materials represent the residential and commercial recycling sector which our members support. A significant amount of these materials are exported, mainly to China. In 2016, approximately 41% of paper recovered in the North America was exported, with about a quarter of recyclable paper collected in the United States exported to Chinese mills. Similarly, over 20% of post-consumer bottles and 33% of non-bottle rigid plastics from the U.S. were exported in 2015.

**Uncertainty regarding the ban**

With only a two day comment period and very limited information and background provided, we have numerous questions that remain unanswered. For instance, we remain unclear as to the exact materials that the ban covers. What is meant by “plastic waste from living sources” and “unsorted waste paper”? Does the former refer to what we would call “post-consumer” recyclables that are generated by the final users of a product? Does the latter term literally mean bales of paper that have not been sorted into a specific grade? If so, does this indicate an intent to ban all imports of sorted mixed paper?

**Support for high quality materials**

NWRA understands that end markets expect to buy bales of recyclable materials that meet their specifications in regard to “contaminants” and “prohibitives.” We work hard to meet end markets’ expectations that they are buying high quality materials for reuse. Our member companies processing facilities aim to completely eliminate all materials that do not meet those specifications. To further achieve this goal, we support the adoption of standards for recyclable materials and enforcement of those standards by the Chinese government as part of its efforts to ensure that bales of recyclables meet proper specifications. In particular, we support the use of existing, internationally recognized specifications already in use that include garbage as a contaminant.

**Recycling benefits**

Recycling benefits the environment in a number of ways. By providing raw materials as industrial feedstock, use of virgin raw materials is avoided along with the attendant environmental ramifications of exploiting and extracting those materials. In addition, recycling reduces greenhouse gas emissions. According to the U.S. EPA, the greenhouse gas benefits from recycling paper/paperboard and plastics alone netted 141.6 MMTCO2E reductions in emissions in 2014.

**Problems resulting from this ban**

Given the amount of recyclable materials shipped to China, American domestic markets cannot absorb the materials that would be banned. In addition, municipalities across the United States would be faced with potentially dramatic changes to the value of their materials and possibly lose the ability to sell the material at all resulting in landfilling these commodities. The outfall from such actions could have a traumatic and devastating effect on the recycling industry.

**Recommendations**

1. *Enforce specifications for recyclable materials* – NWRA supports bans on waste materials. However, the recyclable materials exported to China identified by the ban are valuable commodities that are used in the manufacturing on new products. We recommend that China enforce specifications on quality rather than outright ban these materials.

2. *Clarify definitions* – NWRA requests that China clarify the scope of the ban so that we can understand exactly which materials are affected. Clear definitions and specifications for all materials affected are necessary to be able to disseminate information to recyclers for compliance. The lack of such definitions has led to significant confusion about what materials remain eligible for export.
3. Delay the implementation – Should China elect to implement the ban, we request that the timeline be adjusted to allow for the development of alternative markets and solutions. Rather than implementing the bans by the end of the year, which could have a catastrophic impact on the United States’ recycling infrastructure, we request that the ban be implemented over a period of time. We recommend that the phase-out occur over a five year period.

Conclusion

Our members will face significant challenges should these bans move forward. We request that the Chinese government reconsider and instead, enforce strict standards on high quality materials.

NWRA appreciates the opportunity to provide comments and recommendations, and we look forward to continuing to work with you as you develop this rule. Should you have any questions about these comments, please contact Anne Germain, Director of Waste and Recycling Technology at +1 202 364 3724 or agermain@wasterecycling.org.

Very truly yours,
Darrell K. Smith

President and Chief Executive Officer National Waste & Recycling Association