

Information Session Outcomes

Recycling Market Update and Consistent Communications



August 2018

BACKGROUND

In July 2017, the People's Republic of China informed the World Trade Organisation that it would ban imports of scrap plastic, mixed paper, textiles, certain metal recycling residues and all unsorted waste by the end of 2017. This Program, called National Sword, is designed to protect the environment and improve public health and follows on from Operation Green Fence, launched in 2013. On 1 January 2018, China banned the import of 24 waste grades of plastic scrap and recovered paper. Post-consumer plastic and mixed paper grades, which have contamination levels of greater than 0.5%, are banned from import into China. This has impacted on the other South East Asian markets (Vietnam, Malaysia and Thailand) for these products as abundant supply has decreased the commodity price. The restrictions in China have impacted the recycling supply chain in the USA, Europe and Japan as well as Australia.

Market Update

Domestic commodity prices for OCC (Old Corrugated Cardboard) and ONP (Old News Print) have significantly reduced and mixed paper and plastic prices have collapsed due to oversupply and contamination. The markets that WA is currently selling into are at increased sovereign risk (risk of change of Government policy). Major import problems have surfaced over the past few weeks in the principal markets in Southeast Asia including Thailand, Vietnam and Malaysia. The significant inflow of plastic scrap shipments to these countries, after the market shift from China, has far exceeded the permitted import volumes and the operation capacities of their main ports. On 24 June, an order was issued by the Department of Industrial Works (DIW) prohibiting imports of e-waste and plastic waste into Thailand, which became effective immediately. In Kuala Lumpur, the Housing and Local Government Ministry has revoked the approved permits for the importation of the HS Code 3915 plastic waste (mixed plastic) for three months, of 114 companies and factories nationwide. This was announced 24 July 2018 with no warning. The Indonesian Government halted all plastic imports from 2 August 2018, with no warning.

The market uncertainty and changing dynamics has had an impact in WA. It has led to higher processing cost to quality sort at all Material Recovery Facilities (MRF). The MRF's have slowed down production, to allow those sorting the recycling more time to pull out contamination, such as flexible plastic. This increases labour costs and reduces the amount of recycling that can be processed every hour, but is essential to ensure low contamination levels so there is still a market for the product. There are also additional costs associated with disposal of contamination and unrecyclable products. Disposal costs include the State Government's increased Landfill Levy charge.

State Government Waste Taskforce

The Government established a Taskforce to look at the issues following China Sword, including approaches to reduce contamination and build local processing capacity. On the Waste Taskforce are representatives from Local Government, the waste industry and community. All parties are advocating to the State Government to fund evidence based behaviour change campaigns to reduce contamination in the recycling bin. The Waste Taskforce will be holding two workshops in the coming months to look at what other jurisdictions are doing to address this issue, what the priority materials are for action, what communication approaches are required and contracting opportunities.

WALGA, working with the waste industry, held two information sessions on Friday 24 August. The information in this document is summary of the presentation and discussions at the sessions.

CONTACTS

Australian Packaging Covenant Organisation / Meeting of Environment Ministers

At the Meeting of Environment Ministers in April 2018, where there was a strong focus on packaging waste and the impact that China's National Sword initiative was having on recycling in Australia. One of the actions the Ministers agreed was to:

- *Reduce the amount of waste generated and make it easier for products to be recycled. Ministers endorsed a target of 100 percent of Australian packaging being recyclable, compostable or reusable by 2025 or earlier. Governments will work with the Australian Packaging Covenant Organisation (APCO), representing over 900 leading companies, to deliver this target. Ministers endorsed the development of targets for the use of recycled content in packaging, and this will be closely monitored.*

APCO has released a [Discussion Paper](#) seeking feedback on Targets and proposed definitions of terminology like recyclable and compostable. Feedback is due by 31 August. WALGA's Submission on the Discussion Paper is available from the [WasteNet website](#).

CONTAMINATION

Despite a much higher awareness of recycling issues, contamination of kerbside recycling is still a significant issue. Historical levels for contamination were about 8%, now 15 – 20% of recycling collected is contamination, the reasons for this could include:

- Changes to packaging, increase in composite packaging and single use plastics which are not readily recyclable through the kerbside system
- Until recently, less focus on behaviour change and education by State and Local Government
- Changes to markets, meaning material that was once accepted in recycling exports, now isn't.

Figure 1 show the content of an average recycling bin. Materials which have more limited markets are mixed paper and mixed plastics.

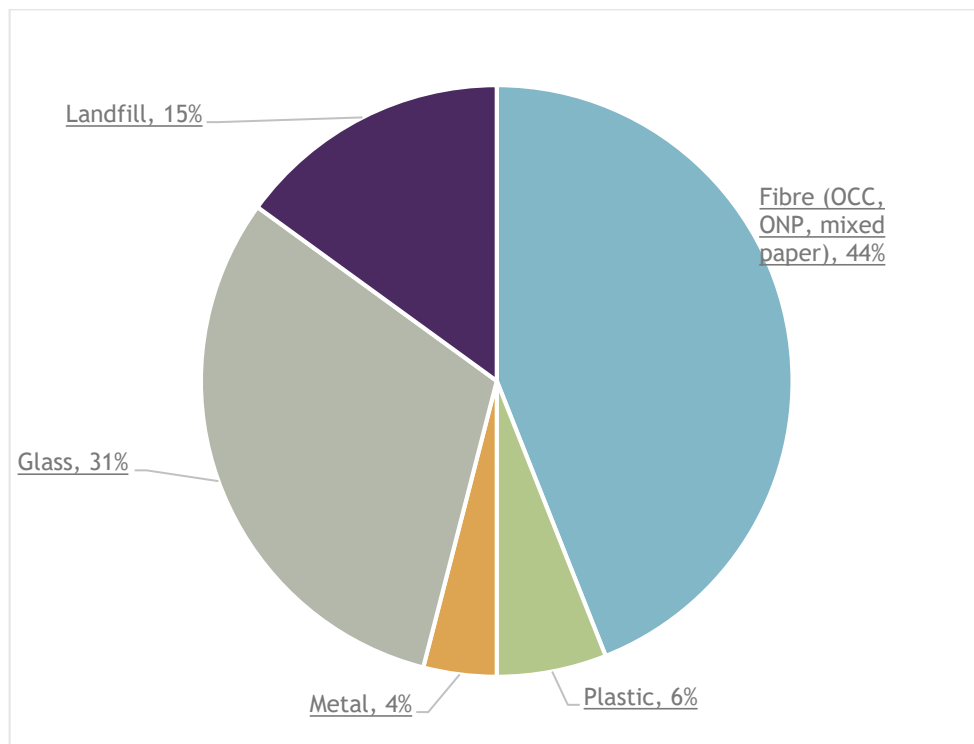


Figure 1: Average content of a Recycling bin

There are a range of different materials which cause problems when put in a recycling bin, these issues can be because the material affects processing, safety or quality.

CONTACTS

Types of Contamination

Affects Processing



Strapping



Clothing



Rope / cable / hose

Affects Safety



Hazardous wastes and Aerosols



Nappies



Batteries



Needles and syringes

Affects Quality



Flexible plastics



Food / food contaminated materials



shredded paper

The following pictures were provided by different material recovery facility operators and show a variety of contamination.

400 soiled disposable nappies per day from the yellow bin at SMRC
Biological hazard, difficult & expensive to remove and if present in baled export product the whole shipment is banned at the destination country.



CONTACTS

Pictured is the initial glass stream from a MRF, it is contaminated with bottle tops, straws, plastic cutlery, shredded paper and even syringes. All of this material has to be rescreened before the glass can be sent for reuse.

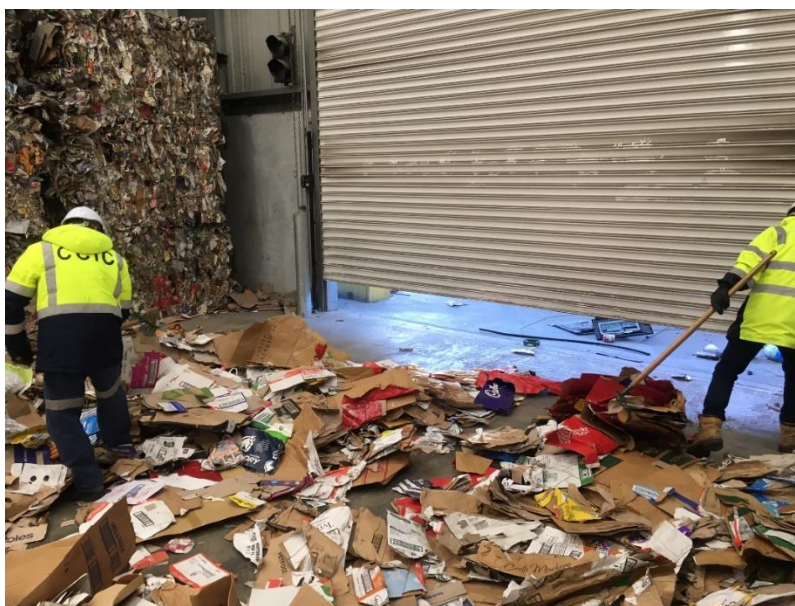


General contamination in the recycling bin can include bagged materials, flexible plastics, green waste, textiles and food.



CONTACTS

Material from MRFs is inspected here in Australia. The following picture show the inspection of a cardboard bale at one of the MRFs in Perth by CCIC, who are the Chinese Certification and Inspection Group.



CONSISTENT COMMUNICATIONS

As participants in the WA Waste Taskforce, and in conjunction with WALGA's initiatives, industry are supportive of government strategies to reduce contamination in recyclables streams, including clear and consistent messages in education campaigns. The following is the consistent messaging that has been agreed, and that Local Governments are encouraged to implement this messaging as soon as practicable.



DO NOT include in the Yellow lid Recycling Bin

- Material in bags (any recyclable material should be placed loose in the bin)
- Plastic bags and light plastic film
- Nappies
- Clothes or other textiles
- Garden waste and food waste
- Gas bottles
- Ropes, cables and garden hose pipes

If in doubt, leave it out and contact your Local Government, or visit Recycle Right, to find out where it goes

This can also be summarised by:

YES Plastic, Steel, Glass and Aluminium containers, Paper and Cardboard

NO Plastic Bags, Food, Garden Material, Textiles, Aerosols or Batteries

CONTACTS

DETAILED INFORMATION ON RECYCLING

Many attendees to the information sessions had specific questions about why different material types could not be recycled through the kerbside bin. It is important for this information to be clearly presented as it can be used to provide information to the community about why certain messages have changed and why behaviour needs to change.

Specific materials which had questions about them included:

- Aerosols – although the instructions on current education materials say that aerosols should be put in the recycling bins empty, many aren't. Aerosols have caused 5 small explosions in the compactor of one of the MRF Operators over the last year. There is also the concern that people are putting all types of aerosol into the recycling bin, including butane canisters which are potentially extremely hazardous. Therefore it is recommended that people do not put their aerosols in the recycling bin, instead they take them to one of the 13 Household Hazardous Waste facilities throughout WA.
- Coffee cups – although a similar material to milk cartons, coffee cups are not recyclable through kerbside because of their shape (they would not be sorted by the sorting screen) also these materials would represent a contaminate in the cardboard stream.
- UHT Milk containers – if silver lined, are not recyclable through the kerbside system. These materials are composite packaging. Normal milk cartons which do not have a silver lining are acceptable in the kerbside recycling bin.
- Take away food containers – yes if they're clean.
- Meat trays – no, currently it is too confusing to know what the material is therefore if it is or is not recyclable.
- Tops on or off containers – ensure they are empty, need to be the same type of plastic if going to put them inside the bottle, just end up as contamination if they are in the recycling bin as too small to be collected.
- Plastic containers 1 – 7, all are recyclable. What isn't recyclable is flexible plastic or polystyrene.
- Shredded paper – should not be in the recycling bin, the shredded paper is too small to be captured and it contaminates the glass stream.

OTHER QUESTIONS

Will diversion rates drop as a result of this change in what is allowed in the recycling bin?

Potentially diversion rates will change, but if there is less contamination in the recycling bin that will mean higher recycling rates. Currently about 15 – 20% of what is in the recycling bin is contamination. If this material was either put in the waste bin, or recycled in another way, then it would change the overall diversion rate. It should also be noted that currently contamination in the recycling bin is effectively being paid for twice – once when it collected and sorted through the recycling system, then again when it landfilled. A better outcome is that non-recyclable material goes to landfill.

The timing of the announcement regarding consistency is after Local Government budgets have been set and education materials (calendars) distributed for the year. There's now conflicting advice on what is recyclable. How's the new messaging going to work?

Unfortunately the timing has been dictated by the change in market conditions, and it is acknowledged that the timing does not fit into Local Government budget cycles. This is a long term issue and education material will need to change progressively over time. All MRF operators will provide updated education material for their customers. This is an opportunity to further engage the community, there has been very positive engagement with ABC, and other media for example 200,000 people viewed the [ABC video](#) on what to put in your recycling bin. There are also opportunities to leverage Local Government community connections to amplify the message.

If the messages surrounding soft plastics and polystyrene are to change, what do we do with these products now?

Soft plastics & polystyrene are contamination in the recyclable products – these materials end up in the baled cardboard and paper bales, previously markets accepted this material but not anymore. These material are

CONTACTS

recyclable, like lots of other things, but not through the kerbside system, it is suggested that the community take back to retailers – or if possible – avoid purchasing these products.

WALGA also encourages Local Government to write to packaging companies and Environment Ministers (State and Federal) to strongly encourage them in the phase out of flexible plastics and non-recyclable products as a matter of urgency.

Are all of the MRF's using consistent methods to audit incoming loads, from different Local Governments, for contamination?

Yes, the MRFs are using a similar methodology to audit Local Government recycling.

WHERE TO FROM HERE

There are immediate, medium and long term actions needed by a range of stakeholders to address this issue. In the short term:

- This matter has been referred to the Municipal Waste Advisory Council to determine how WALGA can further assist Local Government – it was strongly suggested that WALGA, working with Local and State Government and MRF Operators, should coordinate a collective launch for the change of messaging.
- MRF Operators will continue to update their resources
- Waste Taskforce, workshop on support measures used in other states and priority materials, and communication
- WALGA continue advocacy on changing packaging to be recyclable and clearly labelled, via the Australian Packaging Covenant Organisation
- Local Governments, to discuss further with their MRF operators and update communication materials as soon as practicable
- Local Governments put in Expression of Interest for [WALGA Bin Tagging Program](#)
- MRF Operators and WALGA, keep Local Government up to date on market issues.

In the medium to longer term:

- Manufacturers need to take responsibility for their products throughout the whole life cycle and not just leave it to Local Government and industry to clean up the mess
- State Government has a leadership role to play as it requires a long term view and investment in market and infrastructure development to create sustainable local manufacturing using recycled materials. Government also needs to embed sustainable procurement in its own departments.
- Local Government need to educate the community and encourage correct separation of waste at the household.
- MRF Operators continue to work with Local Government and other stakeholder to reduce contamination and ensure markets for materials collected.
- The community need to play their part and put the right thing in the right bin.

CONTACTS