



WASHINGTON REFUSE & RECYCLING ASSOCIATION

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China's National Sword Policy

- In 2013, China launched a customs program called “**Operation Green Fence**,” aimed at increasing environmental quality by reducing waste importation and contamination in recyclable materials. The latest phase of this operation is called “**National Sword**,” which on January 1, 2018, bans the import of many materials and lowers the contamination rate for materials that will still be accepted.
- **China is the single largest consumer of recyclable materials exported** from the United States. 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.
- As part of National Sword, Beijing notified the World Trade Organization in July that it plans to **ban the import of at least 24 varieties of solid waste and recyclables**, including mixed paper, plastics 3-7, metals, and other materials commonly sold by U.S. recyclers. China has also announced new and extremely prohibitive quality standards for the remaining recyclable materials not covered by the ban.
- **As of November 1, 2017, China has imposed a new 1.5% contaminant limit for recyclable materials.** This requirement applies to all materials, even those not covered under the ban. A typical permitted recycling facility (Material Recovery Facility or MRF) achieves contaminant rates of 3-5%. U.S. MRFs are already slowing processing and intake, and adding labor to achieve this rate.
- **On March 1, 2018, the contaminant limit is set to drop to an unattainable 0.5% contaminant limit for all recyclable materials.** U.S. recyclers will likely not be able to achieve the new 0.5% limit, which is far below any existing international standard.
- For current U.S. recycling programs the immediate impact is on mixed paper and plastics #3-7, which are covered under the ban, and attempting to achieve the new contaminant limits for other allowable materials.
- There is also uncertainty whether China will renew import licenses to satisfy the demands of its mills for recycled material. China has not renewed any import licenses since May and has made hundreds of arrests against illegal waste importers. **As a result, there is already a drastic reduction of all recyclables entering China.**
- **U.S. recycling programs mandate the collection of many recyclables, which will have no market value or capability to be processed.** The surplus of materials from mandated recycling programs will drive prices for recyclables to historic lows and leave others with no clear destination other than diversion to landfills. The impact varies by region and local markets across the country, but the West Coast is already suffering the strongest impacts due to historical reliance on Chinese markets for recyclables.
- Markets in China and elsewhere remain for higher grade recyclables and recycled commodities. **The ban presents an opportunity and a necessity to review curbside recycling programs and improve their quality.** Communication across the recycling supply chain will be key, extending from collector to end user to ensure high quality recyclables that will have a market.

WRRA believes in real recycling!

For more information please contact WRRA Executive Director Brad Lovaas at (360) 943-8859 or brad@wrra.org.

Sources:

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