



WASHINGTON REFUSE & RECYCLING ASSOCIATION

China's National Sword Policy

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- China launched a customs program called “**Operation Green Fence**” in 2013, aimed at increasing environmental quality by reducing waste importation and contamination in recyclable materials. China instituted a customs crackdown on waste importation called “**National Sword**” in 2017. The latest phase, called “**Blue Sky 2018,**” is a 10-month long period of ‘special actions against foreign garbage smuggling’. **As a result of these policies, China banned the import of many recyclable materials on January 1, 2018, and lowered the contamination rate for recyclables not covered by the ban to 0.5%. May 2018 Update: China has halted the import of all recyclable materials from the U.S. until June 4.**
- China notified the World Trade Organization in July 2017 that it planned 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 collected by U.S. recycling programs.** In April 2018, China announced a ban on 32 additional varieties of recyclable materials to enter into effect by the end of 2018.
- **China has also imposed a new 0.5% contaminant limit for the remaining recyclable materials not covered by the ban.** A typical permitted recycling facility (Material Recovery Facility or MRF) achieves contaminant rates of 3-5%. The new limit is far below any existing international standard and all but unachievable with current equipment and system costs.
- **On May 4, 2018 China suspended ALL imports of recyclable materials from the U.S. through June** and will conduct 100% inspections of all materials with China Certification and Inspection (CCIC) permits before the suspension. CCIC has been suspended from performing inspections and issuing certificates for recyclables through June 4 due to the discovery of continuing contamination in recyclables entering China. This development has added to the uncertainty and volatility in the recycling market and indicates China will not relax import policies in the near future.
- **China is the largest manufacturing nation in the world and the single largest consumer of recyclables. Recyclable materials are the sixth largest U.S. export to China.** U.S. recyclers have relied on demand from the Chinese market and low shipping rates to China. Other markets exist, but shipping prices are much higher and the markets are much smaller. In Jan-Feb 2017, the U.S. exported 4.67 million tons of paper and 1.23 million tons of plastics to China. For Jan-Feb 2018, exports fell to 2.51 million tons of paper and just 10,000 tons of plastic. Chinese plastic imports are expected to fall by 95% from 2017 levels. Economies around the world are growing, but **there is no country or combination of countries that can consume the amount of material China has historically imported for manufacturing.**
- **U.S. recycling is facing a time of challenge and uncertainty.** Washington Material Recovery Facilities (MRFs) are working to achieve the drastically lower contamination rate. Conveyor belts have been slowed, separation equipment fine-tuned, and additional labor has been added. New equipment is on the way but will take time.
- **The Chinese Market is unlikely to return in the near term.** National Sword is part of a broader effort by the Chinese government to reduce pollution and China continues to ban additional materials. China has not renewed the import licenses of many facilities. In the first batch of 2017, China issued 2,937 import permits. China issued only 108 import permits in the first round of 2018, and many facilities in China will likely close. Some Chinese recyclers and manufacturers are relocating to other countries, but this process will take years.
- **As a result, there is continuing market uncertainty even for materials not covered by the ban.** China is now conducting strict inspections of recyclables at U.S. facilities. Even materials that meet the new 0.5% contaminant threshold will still be rejected if any banned material is found. For example, an entire shipment will be disallowed if a single bottle with dried juice inside is found during an inspection of materials that otherwise meet the 0.5% threshold. This includes not only the bale or container inspected, but the entire shipping allotment of 10 or more shipping containers, all rejected due to one prohibitive.

- **U.S. recycling programs currently mandate the collection of many recyclables covered by the ban and many other materials which contaminate the recycling stream.** The surplus of materials from mandated recycling programs has driven prices for recyclables to historic lows and left others with no clear processing and manufacturing destination. For example, the price paid to Northwest recyclers for paper has plummeted in the last year from \$97.50 to \$5 a ton as of mid-March. In some cases, prices have gone negative and the cost of shipping exceeds the value of the recyclables. **The impact varies by region and local markets, but the West Coast is suffering the strongest impacts due to historical reliance on Chinese markets for recyclables.**
- **Across our state, region, and nation, recyclable materials without a market demand are accumulating and may have to be diverted to landfills.** In Washington, some communities are diverting accumulated recyclables to landfills to prevent public health and fire code issues. It's not safe to store large quantities of recyclables inside for fire code reasons and not feasible to store them outside due to our wet climate.
- **The ban presents an opportunity to review curbside recycling programs and improve their quality.** Communication about the new market realities across the recycling supply chain is essential to ensure high quality recyclables that will have a market. The list of the materials accepted in local recycling plans may need to be modified both in the short and longer terms. Reducing contamination in commingled recyclables collected at the curb is essential.
- **What can you do to help?** Check with your local recycling program to learn which materials are collected in the commingled bin through your program. Ensure that anything you recycle is on that list. Ensuring everything that goes into the bin is recyclable is crucial for reducing contamination. Source separation of recyclables from garbage is the first step. Recyclables must also be empty, clean, and dry. If you do not know whether something can be recycled, throw it in the garbage. **WHEN IN DOUBT, THROW IT OUT! Recycling programs collect too many materials that contaminate the entire stream:** <https://grist.org/article/we-recycle-so-much-trash-its-created-an-international-crisis/>

Materials banned under National Sword

A [Comprehensive list of banned materials](#) is available on wrra.org. The ban includes 24 varieties of solid waste and recyclables, including mixed paper, plastics 3-7, metals, and other materials commonly collected by U.S. recycling programs. For materials, not subject to the ban, China has instituted a new and extremely prohibitive quality standard for material limiting contaminants to one half of one percent (0.5%). This requirement applies to all materials, even those not covered under the ban.

Always check with your local recycling program to learn which materials can be collected through your program. Ensure that anything you recycle is on that list, and is clean, empty and dry. Ensuring everything that goes into the bin is recyclable is crucial. If you do not know whether or not something can be recycled, throw it in the garbage. **WHEN IN DOUBT, THROW IT OUT!**

About WRRRA:

The Washington Refuse and Recycling Association (WRRRA) represents the private sector solid waste industry in Washington. WRRRA member companies and the solid waste industry serve a vital role in public health, safety, and environmental protection. WRRRA members are the largest real recyclers in Washington. Solid Waste by the numbers:

- 14,700 people employed in Washington's waste management and remediation industry during 2016. (Washington State Employee Security Department)
- \$75,156 is the average annual wage for Washington state workers in the waste management and remediation industry, compared to the national average of \$46,790. (Washington State Employee Security Department)
- For every million dollars generated by Washington's solid waste industry, \$2.17 million is generated in the economy through the multiplier effect. (Office of Financial Management)
- For every 10 jobs in Washington's solid waste industry, an additional 17.01 jobs are created outside the industry. (Office of Financial Management)

For more information please contact WRRRA Executive Director Brad Lovaas at (360) 943-8859 or brad@wrra.org. Most recent version and other resources always available on wrra.org