



December 31, 2014

Ms. Cynthia Dunn
Senior Environmental Scientist
California Department of Resources Recycling and Recovery
Sacramento, California 95812

Re: CalRecycle Packaging Workshop Background Paper (11/13/14)

Dear Ms. Dunn:

The American Forest & Paper Association (AF&PA)ⁱ, appreciates the opportunity to comment on the CalRecycle Packaging Workshop Background Paper.

AF&PA shares CalRecycle's goal of increasing recovery rates and reducing the amount of recyclable products going to landfills. AF&PA supports voluntary paper and paper-based packaging recovery efforts that seek to improve upon the existing recovery and recycling programs in California and the United States. AF&PA strongly believes that the voluntary recovery of paper and paper-based packaging is a recycling success story and the proposed plan will be damaging to businesses engaged in paper recovery and recycling.

We recognize the importance of recycling, which is why our industry has voluntarily spent considerable resources – and working with our partners in the states – building the infrastructure to recover and recycle our products.

Paper Industry Recycling Efforts

Thanks to industry leadership and the efforts of millions of Americans who recycle at home, work and school every day, national paper recovery has reached record levels and far less paper is going into landfills.

We have exceeded 63 percent recovery in the U.S. for the past five years. In 2013, 63.5 percent of the paper and paper-based packaging used in the U.S. was recovered for recycling. Recovered paper consumption at U.S. mills edged up an estimated 230,000 tons in 2013. In fact, the amount of paper recovered for recycling has increased by nearly 75 percent since 1990, the year the industry established its first recovery goal. That's great news for the environment and for the paper industry. Recovering paper for recycling helps extend the life of paper and paper-based packaging products and is an integral part of the industry's sustainable practices.

According to the most recent data available from the U.S. Environmental Protection Agency (EPA) report, *Municipal Solid Waste in the United States: 2012 Facts and Figures*, the paper and paper-based packaging industry sets the standard for recovering our products from the solid waste management stream.

The tables below reflect data drawn from that EPA report and compare recovery rates for several key industries. The data show that paper and paper-based packaging has the highest recovery rate among major commodities, and that the growth in the recovery rate for paper and paper-based packaging is considerably higher than rates for several other major commodities:

Recovery of Products from the Municipal Solid Waste Stream (2012)

Product	Recovery Rate
Paper and paperboard	64.6%
Steel	33.0%
Glass	27.7%
Aluminum	19.8%
Plastics	8.8%

Source: U.S. EPA (2014)

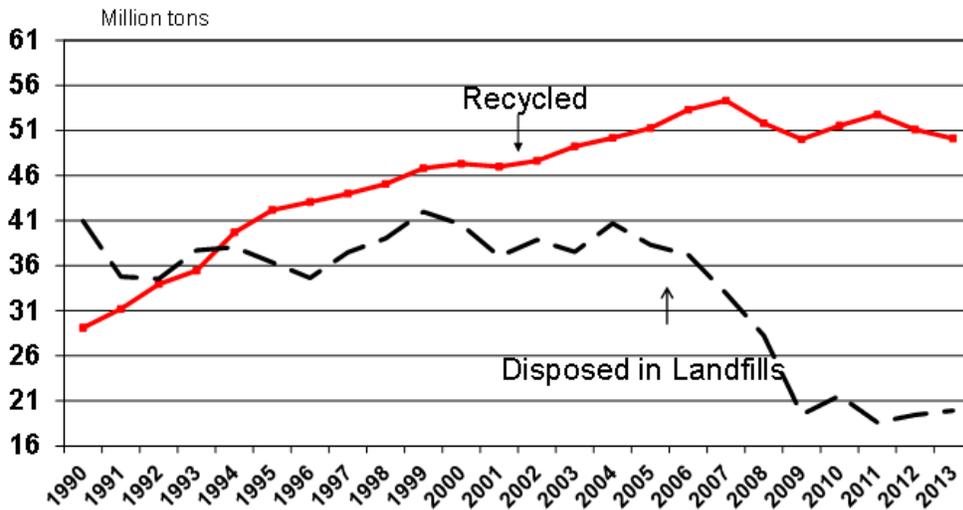
Growth in Recovery of Products from the Municipal Solid Waste Stream

Product	2007 Recovery Rate	2012 Recovery Rate	Change
Paper and paperboard	53.9%	64.6%	+19.9%
Steel	33.8%	33.0%	-2.4%
Glass	23.0%	27.7%	+ 20.4%
Aluminum	21.7%	19.8%	- 8.8%
Plastics	6.8%	8.8%	+ 29.4%

Source: U.S. EPA (2014)

As a result of these large strides in recycling, paper going to landfills is estimated to have declined by approximately 50 percent since 1990, the year relative to which the paper industry first began benchmarking its recovery goals.

Paper Recovered for Recycling vs. Disposed of in Landfills (1990-2013)



Source: American Forest & Paper Association

AF&PA leads a variety of efforts to encourage and increase paper recovery for recycling. For paper recycling statistics, free classroom materials, and resources to help start or improve paper recycling efforts at home, in the community, and at work, visit paperrecycles.org.

In the area of youth education, AF&PA partners with Kaleidoscope Youth and Family Marketing to develop standards-based curriculum materials that promote the benefits of paper use and recycling. In 2014, the materials reached 375,000 second through fourth graders with an emphasis on creative thinking and paper recovery lessons. In March, materials were delivered to schools across the country including California.

Additionally, in 2014 AF&PA sponsored the collegiate RecycleMania competition. The annual competition promotes increased recovery of paper, paper packaging and other recyclable materials on college campuses in California and across the country. This year, more than 460 colleges and universities participated in the competition, including nine from California.

AF&PA also sponsors an annual recycling contest for schools, communities and businesses. The AF&PA Recycling Awards program, in its ninth consecutive year, recognizes and rewards outstanding paper recovery programs across the United States.

Comments Specific to the Background Paper

AF&PA agrees with the importance of increasing the collection and recovery of packaging in California. We don't agree with some of the proposed policy approaches to achieve it outlined in the Background Paper. In addition, we question some of the underlying data that supports those policy approaches. The Background Paper relies on dated data from a 2008 waste characterization study, while an updated study is currently underway..

A review of the data CalRecycle uses to support its position that paper represents an overwhelming majority of the packaging disposal stream in California is not consistent with national data reported by the U.S. EPA, as the report claims.

CalRecycle reports that 5.3 million tons of paper packaging is discarded in the state. The U.S. EPA reported that 9.09 million tons of paper and paperboard containers and packaging was discarded nationwide in 2012. Taken together, that would mean that 58 percent of the total amount of paper and paperboard packaging discarded in the U.S. was discarded in California. Since California's population represents approximately 12 percent of the total U.S. population, the paper packaging discard tonnage quoted by CalRecycle seems unlikely.

CalRecycle's data also shows that 2.5 million tons of plastic packaging was discarded in the state. U.S. EPA data shows that discards of plastic containers and packaging in the U.S. was approximately 11.88 million tons in 2012. Combining the two sets of data, the U.S. EPA data shows that the amount of discards of paper and paperboard containers and packaging across the country was only about 76.5 percent of the amount of discards of plastic containers and packaging. The CalRecycle data, however, shows that discards of paper and paperboard containers and packaging in the state was more than double the amount of discards of plastic containers and packaging (5.3 million tons and 2.5 million tons respectively). Again, given national data, that seems unlikely.

Establishing minimum "post-consumer" recycled content mandates distort markets for recovered paper

"Post-consumer" content mandates create an artificial barrier to increasing paper recovery. Mandates that dictate "post-consumer" content in products often result in distortions in the market-driven demand/supply balance by driving up prices for some usable fiber while placing an artificial barrier to the use of other equally environmentally beneficial recovered paper.

AF&PA recently received the results of research conducted by RISI, a well-known consulting firm, on the effects of recycled content guidelines on paper recovery and utilization in manufacturing. With respect to recycled content guidelines, RISI concluded:

Our view is that there is strong evidence that recycled content mandates have little if any effect on recovery rates when recovery rates are high, as they are in the United States and across the world generally. The allocation of recovered fiber to paper and paper packaging products is generally most efficient when there are no artificial content

*mandates. Rising mandates would only shift the available supply of fiber to other products where it is less efficiently used. This causes negative economic and environmental impacts.*ⁱⁱ

Recovery is increased by utilizing all available sources of recovered fiber, not by singling out a specific source as the one that “counts.” It is somewhat ironic that the paper industry, despite the great strides made in recovering our own products, continues to be the only commodity where attention regarding this mandate is placed.

We look forward to continuing our dialogue with CalRecycle in pursuit of opportunities to further build on our industry’s success and commitment to increase paper recovery and recycling. If you have any questions, please contact Terry Webber at (202) 463-2732 or terry_webber@afandpa.org.

Sincerely,



Elizabeth Bartheld
Vice President, Government Affairs

cc: Ms. Kathryn Lynch, Legislative Advocate
American Forest & Paper Association

ⁱ AF&PA serves to advance a sustainable U.S. pulp, paper, packaging, and wood products manufacturing industry through fact-based public policy and marketplace advocacy. AF&PA member companies make products essential for everyday life from renewable and recyclable resources and are committed to continuous improvement through the industry’s sustainability initiative - *Better Practices, Better Planet 2020*. The forest products industry accounts for approximately 4 percent of the total U.S. manufacturing GDP, manufactures approximately \$210 billion in products annually, and employs nearly 900,000 men and women. The industry meets a payroll of approximately \$50 billion annually and is among the top 10 manufacturing sector employers in 47 states. Visit AF&PA online at www.afandpa.org or follow us on Twitter @ForestandPaper. In California, the industry employs more than 22,000 individuals and has over 480 paper manufacturing facilities.

ⁱⁱ Position Paper on Federal Recycled Content Guidelines, RISI and Moore & Associates, 2014